



CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION/ATTORNEY WORK PRODUCT

April 15, 2025

VIA EMAIL ONLY: kbarbe@hacm.org

Housing Authority of the City of Milwaukee
c/o Ken Barbeau, Acting Secretary-Executive Director

RE: Investigation of Issues Related to Complaint by Felicia Shoates

Dear Mr. Barbeau:

The Housing Authority of the City of Milwaukee ("HACM") and its subsidiary Travaux retained Buelow Vetter Buikema Olson & Vliet, LLC to investigate complaints filed by Felicia Shoates, a resident of the HACM property known as Locust Court. Ms. Shoates' allegations relate to various management practices and employment issues at Locust Court. They also encompass broader allegations of nepotism in the employment practices of HACM and its subsidiary, Travaux.

INVESTIGATIVE PROCESS

The investigation consisted of interviewing individuals believed to have pertinent information and reviewing relevant documents (including Ms. Shoates' initial emailed complaint). Individuals interviewed were generally advised of the investigation's purpose and of the investigator's role in making factual findings and conveying those findings and related recommendations to HACM and Travaux, which would then determine what further action, if any, is warranted. The investigator did not interview every possible witness, particularly when sufficient information had been obtained about a particular incident or allegation to reach a reasonable conclusion. The complainant and other witnesses were informed that while the investigator would make reasonable efforts to keep the sources of certain information anonymous/confidential, he could not (and would not) offer any guarantees in that regard.

Interviews

The following individuals were interviewed:

- 1) Complainant Felicia Shoates (in person on November 22, 2024) (accompanied by Common Ground Lead Organizer/Executive Director Jennifer O'Hear)
- 2) Kevin Solomon, Common Ground Associate Organizer (by telephone on December 18, 2024)

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- 3) Michael Wellman, HACM Maintenance Supervisor (in person on February 4, 2025)
- 4) LaToyia Gibson, HACM/Travaux Senior Human Resources Generalist (in person on February 4, 2025)
- 5) Crystal Reed-Hardy, HACM/Travaux Human Resources Director (in person on February 6, 2025)
- 6) Marquettea Treadway, HACM Director of Leasing & Compliance (in person on February 21, 2025)
- 7) Dakisha O'Bee, HACM Assistant Director of Property Management (in person on February 24, 2025)
- 8) Susan Donald, Housing Manager, Locust Court (in person on February 25, 2025)
- 9) Logan Hardy, Assistant Housing Manager, Locust Court (in person on March 19, 2025)
- 10) Todd Slusar, HACM/Travaux Senior HR Business Partner (by telephone on April 3, 2025)

Exhibits

The following relevant documents/materials were reviewed. Copies are available upon request:

- 1) July 18, 2024, emailed complaint of Felicia Shoates
- 2) HACM Employee Handbook
- 3) Travaux Employee Handbook
- 4) HACM Resident Handbook
- 5) Ethics Quick Reference Guide from Department of Housing & Urban Development ("HUD")
- 6) Form HUD -53012: Annual Contributions Contract
- 7) October 30 & November 5, 2024, Common Ground "Notice of Violation" Documents
- 8) Various Personnel Documentation Regarding HACM and Travaux Employees (Exhibit 8)
- 9) Phone Video Footage Received from Felicia Shoates (Exhibit 9)
- 10) Locust Court Resident Stipend Agreement (Exhibit 10)
- 11) Locust Court Resident Stipend Letter (Exhibit 11)

SCOPE & NATURE OF THE COMPLAINT

On July 18, 2024, Ms. Shoates sent an email to then HACM Secretary-Executive Director Willie Hines, Jr. and HACM Safety Director Marlon Davis on which she copied over fifty other individuals, including the City of Milwaukee's mayor, city attorney, and alderpersons, various officials at the U.S. Department of Housing and Urban Development, lawyers in the Milwaukee District Attorney's Office, Milwaukee Police

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Department officials, and Milwaukee County Supervisors. The email raised an array of allegations, including:

- Excessive work expectations imposed on Locust Court residents who receive a rent stipend in exchange for performing cleaning and upkeep tasks in common areas
- Sexual harassment and other objectionable conduct by a Locust Court resident and HACM volunteer referred to herein as “T.W.”
- Inappropriate and unethical behavior by Locust Court property manager and HACM employee Susan Donald, including lack of responsiveness to resident concerns, running Locust Court “like a prison,” favoring select residents over others, and interfering with tenant’s rights to associate with community organizations
- Inappropriate and unethical behavior by Locust Court assistant property manager and Travaux employee Logan Hardy, including using illegal drugs on the premises and fraternizing with residents

Subsequently, Ms. Shoates has raised allegations of nepotism in HACM and Travaux employment practices. Though Ms. Shoates’ nepotism allegations are limited to employees with whom she interacts at Locust Court, Ms. O’Hear of Common Ground has voiced broader nepotism and conflict of interest concerns that are also addressed herein.

FEDERAL REGULATIONS

2 CFR 200.318 – General procurement standards.

(c) Conflicts of interest.

(1) The recipient or subrecipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No employee, officer, agent, or board member with a real or apparent conflict of interest may participate in the selection, award, or administration of a contract supported by the Federal award. A conflict of interest includes when the employee, officer, agent, or board member, any member of their immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an entity considered for a contract. An employee, officer, agent, and board member of the recipient or subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors. However, the recipient or subrecipient may set standards for situations where the financial interest is not substantial or a gift is an unsolicited item of nominal value. The recipient's or subrecipient's standards of conduct must also provide for disciplinary

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actions to be applied for violations by its employees, officers, agents, or board members.

(2) If the recipient or subrecipient has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian Tribe, the recipient or subrecipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the recipient or subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

24 CFR § 982.161 – Conflict of interest

(a) Neither the PHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the HCV program in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

(1) Any present or former member or officer of the PHA (except a participant commissioner);

(2) Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs;

(3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or

(4) Any member of the Congress of the United States

(b) Any member of the classes described in paragraph (a) of this section must disclose their interest or prospective interest to the PHA and HUD.

(c) The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

HUD POLICIES & DOCUMENTS

Form HUD -53012: Annual Contributions Contract (Excerpt from pp. 11-12)

c. The HA shall not hire an employee in connection with a project under this ACC if the prospective employee is an immediate family member of any person belonging to one of the following classes:

1. Any present or former member or officer of the governing body of the HA. There shall be excepted from this prohibition any former tenant commissioner who does not serve on the governing body of a resident corporation, and who does not occupy a policymaking position with the HA.

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2. Any employee of the HA who formulates policy or who influences decisions with respect to the project(s).

3. Any public official, member of the local governing body, or State or local legislator, who exercises functions or responsibilities with respect to the project(s) or the HA.

d. The prohibition referred to in subsection (c) shall remain in effect throughout the class member's tenure and for one year thereafter.

e. A class member shall disclose to the HA the member's familial relationship to the prospective employee.

f. For purposes of this section, the term "immediate family member" means: the spouse, mother, father, mother-in-law, father-in-law, brother, sister, brother-in-law, or sister-in-law, or child of a covered class member (whether related as a full blood relative, or as a "half" or "step" relative, e.g., a half-brother or stepchild).

HUD Ethics Quick Reference Guide

Nepotism

PHAs may not hire employees in connection with a project under the ACC if the prospective employee is an immediate family member of:

- A present or former member or officer of the governing body of the PHA
- An employee of the PHA who makes policy or influences decisions
- A public official, member of local governing body, or state or local legislator who exercises functions or responsibilities with respect to projects or the PHA

HACM POLICIES

HACM Employee Handbook

Core Values (Excerpt)

We are personally committed to approach our job and our professional relationships with honesty and respect for others. Customers can expect HACM to be a visionary and a resourceful Authority capable of solving the challenges that face us. We get things done efficiently in a reasonable amount of time. Our customers have the right to expect superior service and HACM is committed to providing it.

Core Competencies (Excerpt)

Cooperation

Works harmoniously with others to get a job done; responds positively to instructions and procedures; able to work well with staff, co-workers, peers and managers; shares critical information with everyone involved in a project. Helps to set a tone of collaboration within the work

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group, across groups and concerned stakeholders; coordinates own work with others; seeks opinions; values working relationships; when appropriate, facilitates discussion before decision-making process is complete.

Integrity

Strive to maintain the highest standards of personal integrity; displays exemplary behavior in every aspect of his work; identifies the most worthy steps and then takes them; when given a choice, always opts for the reputable route; finds and implements the sterling way to handle any ethically challenging situation. Fair and honest when dealing with others.

Compassion

Possesses an awareness of one's connection to, and interdependence with, others, to the extent to which a person is believed to have the best interests of the other in mind. It includes a high level of empathy that enables the capacity to genuinely care for another person, group, or organization. It is showing concern for the needs and interests of others and caring about them as much, or more, than those of your own. The motivation to care is not ego-driven or primarily profit-oriented.

Non-Discrimination and Anti-Harassment Policy (Excerpt)

HACM is committed to providing a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including illegal harassment. Therefore, HACM expects that all relationships among persons will be conducted in a business-like manner and free of bias, prejudice, and harassment.

HACM strictly prohibits and will not tolerate unlawful harassment against employees, including but not limited to harassment because of race, color, religion, creed, national origin, ancestry, sex, pregnancy, sexual orientation, gender, age, physical or mental disability, marital status, or any other characteristic protected under applicable federal, state, or local law.

Professional Ethics

HACM employees will be held to a Code of Professional Conduct that expects employees to:

- Promote the public interest through the advocacy and practice of responsible administration of HACM programs.
- Perform work responsibilities with the highest degree of integrity and professionalism in order to merit the respect of program beneficiaries, elected officials and the general public.
- Exercise diligence, objectivity, and honesty in executing professional responsibilities.
- Avoid activities which conflict with official duties and not accept directly or indirectly any fee, rebate, commission, discount, gratuity or other benefit whether monetary or otherwise for the professional discharge of duties except an authorized established salary, expenses, and other benefits.

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- Serve the public with dedication, concern, courtesy and responsiveness.
- Continually strive for professional excellence personally and encourage and support coworkers in their professional development efforts.
- Promote and encourage the highest level of ethics within the Organization.
- Immediately report known violations of this Code of Professional Conduct to the Executive Director.

Nepotism

HACM hires people based on their qualifications for the job. To make sure this standard is always upheld and to maintain the integrity of business and professional personal conduct, HACM has certain restrictions on when and where relatives of staff members can be hired, and how related staff members can work together.

HACM recognizes that employment of family members can cause various issues in the workplace, including but not limited to concerns of favoritism and conflicts of interest. Such concerns, whether real or perceived, can lead to unnecessary problems in the workplace.

For purposes of this policy, a family member is anyone related to a HACM employee by blood, marriage, or law, including but not limited to the following:

- Spouse or domestic partner
- Children (including step-children and foster children)
- Parents (including step-parents and foster parents)
- Grandparents
- Grandchildren
- Siblings (including step-siblings and foster siblings)
- Cousins
- Nieces and nephews
- Aunts and uncles
- Members of the same household

No person will be appointed if related by blood or marriage to the appointing officer, appointing board, or direct supervisor, but may be appointed by a non-relative where appropriate. Employees are prohibited from supervising and/or exercising management authority (directly or indirectly) over family members and/or participating in (directly or indirectly) employment decisions/actions concerning family members, including but not limited to the following:

- Initial hire and/or interview
- Retention, promotion and/or transfer
- Salary decisions
- Work assignments, including scheduling
- Leaves of absence
- Performance evaluations and/or disciplinary actions

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Subject to the above requirements, this policy does not prohibit a family member of an employee from being employed as a co-worker, provided that neither co-worker has any supervisory/management authority over the other, and provided that the family relationship does not cause problems in the workplace.

However, regardless of whether a supervisory/management relationship exists, employees are expected to disclose family member relationships to Travaux at any and all of the following times:

- At the time of interview/hire or as soon as possible thereafter
- When such a relationship is established (for example, when a family member relationship is established by marriage or by virtue of moving in to the same household)
- When an employee assumes a position of supervision/management over a family member (such as at the time of promotion)

In other words, even if a supervisory/management relationship does not exist, employees are expected to notify the company of family member relationships. If an employee is unsure of whether a particular relationship is considered a “family member” relationship prohibited by this policy, the employee should contact Human Resources to discuss.

Personal Relationships with Beneficiaries of HACM Programs

Personal relationships which would impact the ability of an employee to objectively perform their responsibilities are to be avoided. Personal relationships which interfere with the normal business relationship between HACM and program beneficiaries may subject an employee to disciplinary action, up to and including termination.

Personal Conduct

HACM requires employees to maintain a proper and considerate relationship with the public, elected officials and co-workers at all times. HACM further requires employees to exercise the utmost courtesy in their contact with the public, whether it is in person, by correspondence, or by telephone – even under the most trying circumstances. Employees are not to be argumentative or use abusive language with any other person in carrying out their assigned duties. If any employee believes that a member of the public, an elected official or a co-worker is acting inappropriately, the employee should contact his or her supervisor or Human Resources.

Employee Conduct and Work Rules (Excerpt)

The following is a sample listing of behaviors and situations that are considered unacceptable. This list is provided as a sample, only, and does not represent a complete list of reasons for which misconduct and subsequent discipline/termination is applicable.

- Falsifying employment or other Organization records
- Violating HACM's nondiscrimination and/or sexual harassment policies or other policies within this Handbook
- Soliciting or accepting gratuities from customers or clients
- Having excessive tardiness or absenteeism
- Using HACM supplies for personal purposes without authorization

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- Reporting to work intoxicated or under the influence of a non-prescribed drug, except over the counter medications taken for their intended purposes assuming that the over-the-counter medication does not interfere with the employees' ability to perform the essential functions of the job safely
- illegal manufacture, possession, use, sale, distribution, or transportation of drugs on Organization premises or while in the course or scope of employment
- Bringing or using alcoholic beverages on HACM property or while engaged in Organization business off HACM premises, except where authorized
- Fighting or using obscene, abusive, or threatening language or gestures
- Theft of property from co-workers, customers, or HACM
- Violation of HACM's Firearms and Dangerous Weapons Policy
- Disregarding safety or security regulations
- Insubordination
- Failing to maintain the confidentiality of Organization, customer, or client information
- Vandalism of Organization, fellow employee, or client property
- Showing discourtesy to, or being impatient with, customers, clients, or fellow employees
- Dressing inappropriately for office or scheduled activities
- Conviction of a job-related criminal offense or being unavailable for work because of incarceration
- Any other behavior that is contrary to Organization policy

Should an employee's performance, work habits, overall attitude, conduct, or demeanor become unsatisfactory in the judgment of HACM or violation of any other HACM policies occur, he or she will be subject to disciplinary action, up to and including termination.

Drug Free Workplace Policy (Excerpt)

HACM is committed to positive, safe and secure workplace for its employees. Central to these goals is providing an environment which is free from the harmful effects of drug and alcohol abuse.

Employees are expected to be physically and mentally fit to perform their duties when reporting to work and when performing duties in the course and scope of their employment. In addition, no employee shall report to work or perform work-related duties while impaired by or under the influence of alcohol, illegal drugs or other substances (including prescription or over-the-counter medication) that would affect his/her ability to perform the job in a safe and efficient manner.

It is HACM's policy that the unlawful manufacture, distribution, sale, dispensing, possession, or use of controlled substances by employees is prohibited in all workplaces and/or while the employee is in the course and scope of employment. As a condition of employment, all employees are required to pass a pre-employment drug test and abide by the terms of this policy.

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FINDINGS & ANALYSIS

This investigation requires the investigator to assess the credibility of the allegations described above and determine whether the alleged conduct violates applicable laws, regulations, and/or policies. The following sets forth the investigative findings and analysis.

I. Locust Court Issues

Ms. Shoates' complaint raises multiple issues, not every one of which received equal attention as part of this investigation. The investigation focused on employment-related concerns potentially implicating specific HACM/Travaux policies or federal regulations, while devoting considerably less time and effort to allegations of interpersonal conflicts or isolated incidents of objectionable behavior by residents. This is not to say that Ms. Shoates' concerns in other areas are unfounded or without merit; rather, that the scope of this investigation was necessarily limited.

A. The Resident Service Stipend Program

In 2022 HACM implemented a program at multiple residential properties whereby residents may receive a "resident service stipend" of no more than \$200.00 per month in exchange for "performing a service for the housing authority or owner, on a part-time basis, that enhances the quality of life in the development." (See Ex. 10, Locust Court Resident Stipend Agreement; Ex. 11, Locust Court Resident Stipend Letter). HACM's documentation for this program references HUD Handbook Section 4350.3 REV-1, which provides that "[r]esident services stipends are generally modest amounts of money received by residents for performing services such as hall monitoring, fire patrol, lawn maintenance, and resident management" and that such stipends may be excluded from a resident's annual income calculation provided they do not exceed \$200.00.

In the Locust Court documentation provided to the investigator, the resident services specified include clean-up of halls and stairwells (e.g., sweeping, mopping, cleaning up spills, picking up trash/litter) and clean-up of the grounds (e.g., picking up trash/litter, wiping down the elevator). HACM's Resident Stipend Agreement expressly identifies participating residents as volunteers, notes that they are not employees and are not receiving wages, salary, or other benefits, and states that either party is free to terminate the resident's participation at any time.

Though she is not a participant herself, Ms. Shoates has alleged that multiple Locust Court residents participating in the resident service stipend program are working beyond reasonable expectations given what she deems the "small discount" they receive on their rent. A complete review of all stipend recipients is beyond the scope of this investigation, and to this investigator's knowledge no participants have raised a similar concern directly with HACM or Travaux. The investigator has discussed this issue with Ms. Donald, who denies that participants are asked to perform excessive work and notes that their time spent on premises clean-up tasks is not monitored. Ms. Donald further states that the program has been quite popular with residents and recalls that due to

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high demand she had to hold a drawing to determine which residents were initially selected for participation. Ms. Hardy notes that some program participants do go above and beyond in performing their tasks and that she therefore has occasionally provided them with gift cards to show her appreciation.

Absent complaints from program participants, and based on the evidence reviewed, this investigation cannot conclude that resident volunteers are being mistreated or that applicable laws, regulations, or policies are being violated. Further, and as set forth in the Resident Stipend Agreement, residents are free to discontinue their participation in the program at any time. Yet this is not to dismiss the idea that the resident service stipend program presents potential concerns. Though such programs are contemplated by the HUD regulations/guidance, the dual role that participants play as volunteers and residents necessitates careful monitoring. HACM would be wise to conduct an organization-wide review of this program as soon as practicable to determine its current efficacy and identify areas for improvement. If the program is to continue, HACM should consider: (1) providing on-site personnel with relevant training and (2) developing more robust guidelines and policies for the program.

B. Resident/Volunteer T.W.

Ms. Shoates' complaint raises several concerns regarding a fellow resident, T.W. In some instances, Ms. Shoates's allegations are of a primarily interpersonal nature. These include her assertions that T.W. is a "conductor of chaos" who is often "gossiping and instigating" and creating drama among Locust Court residents. While the examples she cites may accurately reflect T.W.'s personality traits or judgment, they do not suggest employment-related concerns within the scope of this investigation, particularly as T.W. is neither a HACM nor a Travaux employee. However, other allegations regarding T.W. warrant closer examination, especially because he was a volunteer participant in the resident service stipend program discussed in the preceding section.

Ms. Shoates alleges that T.W. has made sexually inappropriate comments to her and other residents and that he has attempted to convince Ms. Hardy to engage in a sexual relationship with him. Though the latter point will be addressed further below, this investigation did reveal credible evidence that T.W. has made sexual remarks to fellow residents and to Ms. Hardy. Ms. Hardy confirmed that T.W. has made sexual comments to her in the past, noting that as a young (26-year-old) female she has been subjected to suggestive comments by multiple older, male residents. Ms. Hardy states that she generally does not take such comments seriously or find them concerning and explained that she does not hesitate to challenge male residents when they do so. Regarding T.W.'s comments specifically, Ms. Hardy recalls that after she raised the issue with Ms. Donald T.W. was spoken to and the behavior stopped. This account was corroborated by Ms. Donald and by Mr. Slusar, the latter of whom stated that he counseled T.W. about the matter and suspended T.W.'s participation in the resident service stipend program pending the conclusion of this investigation. Ms. Hardy also stated that, notwithstanding T.W.'s inappropriate remarks, she believes he is an asset to Locust Court management because he was a hard worker in his volunteer capacity and is

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willing to share his insights with management regarding Locust Court issues and developments.

Though this investigation does not conclude that T.W.'s sexual comments to Ms. Hardy or other residents violated any state or federal employment laws, his conduct highlights a broader potential concern with the resident service stipend program: that program volunteers (like T.W.) will be perceived as HACM employees, thereby increasing HACM's legal risks. In other words, if residents believe that their fellow residents' inappropriate actions bear HACM's official sanction they may seek to hold HACM legally accountable for those actions. This is a risk that HACM should certainly weigh against the program's positive attributes when evaluating its continued viability (as recommended in the preceding section). Additionally, based on the above findings, the investigator does not recommend that T.W. be permitted to resume participation in the resident service stipend program.

C. Susan Donald, Housing Manager, Locust Court

Susan Donald has been the housing manager at Locust Court since 2018. She held the same position at another HACM property, Park Lawn, beginning in 2016, prior to which she worked in public housing management in Chicago. Her job responsibilities as housing manager at Locust Court include collecting rent payments, providing and coordinating resident services, resolving resident issues and disputes, and coordinating services with other HACM departments/functions.

Ms. Shoates' complaint alleges that Ms. Donald and Ms. Hardy are rude to tenants and disregard aspects of the HACM tenant handbook. As examples, she references changing the daily hours of the Locust Court management office and/or closing the office when it should be open, showing favoritism to certain residents/groups of residents, and requiring residents to attend monthly resident meetings. Ms. Shoates also takes issue with Ms. Donald's response to the presence of Common Ground representatives and/or members of the local news media on Locust Court premises, including in the days leading up to the November 5, 2024, presidential election.

1) Management Office Hours

Ms. Donald does not dispute that the Locust Court management office has changed its daily opening time from 8:00 a.m. to 10:00 a.m. She explains that this has recently been a standard practice at HACM properties, was approved by HACM leadership, and was communicated to residents. This change is intended to allow staff relatively uninterrupted time to keep up with important paperwork and other administrative functions. She also notes that despite the office typically being closed from 8:00 – 10:00 a.m., she, Ms. Hardy, and other staff continue to respond to urgent resident issues or emergencies as necessary.

Ms. Shoates is correct that the HACM Resident Handbook indicates that housing development offices are open daily, Monday through Friday, 8:00 a.m. to 4:45 p.m. (Ex. 4, Resident Handbook). However, HACM retains the discretion to modify the policies in

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the Handbook provided that those policies remain consistent with applicable laws and regulations. This investigation does not conclude that the decision to close the management office for a two-hour period each morning is a violation of any applicable policy, regulation, or law. Though Ms. Shoates may be frustrated by the reduction in office hours and residents are certainly entitled to reasonable access to staff, the evidence does not suggest that the reduced hours are targeted specifically at Locust Court residents by Ms. Donald; rather, they reflect an organization-wide decision to prioritize administrative tasks. That being said, it may be helpful for HACM to clarify its office hour policies with residents (and the accompanying rationale) and to ensure that those policies are being consistently communicated and followed, both at Locust Court and elsewhere.

2) Favoritism & Rude Treatment

Ms. Donald and Ms. Hardy both deny favoritism towards certain residents or rude treatment of residents. Ms. Donald emphasizes that she does not socialize with or have personal friendships with Locust Court residents and that she and her staff treat residents equally and with respect. This investigation did not substantiate a general finding of favoritism or rudeness by Ms. Donald, particularly as Ms. Shoates provided limited examples to support these relatively subjective allegations. However, there is support for Ms. Shoates' allegations of inconsistent policies regarding availability of the Locust Court community room, as further discussed below.

3) Mandatory Meetings

The HACM Resident Handbook states that each property/housing development will have a resident council/organization to which residents automatically belong by virtue of their occupancy. (Ex. 4, Resident Handbook, p. 35). Per the Resident Handbook, HACM "supports the right of residents to form and have resident organizations and encourages all residents to be active in the affairs of the organization in [their] development." (*Id.*) Ms. Shoates' allegation, however, pertains to monthly resident meetings conducted by Ms. Donald, which appear to be distinct from meetings of the Locust Court resident council/organization. Ms. Donald states that while she does not involve herself in meetings of the resident council/organization, she does hold monthly resident meetings, which she admittedly designates as mandatory, to address important building issues. Ms. Hardy agrees that the meetings are referred to as mandatory; however, both she and Ms. Donald insist that there are no consequences for residents who do not attend.

Ms. Donald's admission substantiates Ms. Shoates' allegation that resident meetings are being improperly deemed mandatory. The Resident Handbook does not require resident attendance at any meetings, whether of a resident council/organization or otherwise. Though Ms. Donald may have good reasons for wanting residents to participate in her monthly meetings, her designation of such meetings as mandatory is not consistent with applicable policies and should cease, regardless of whether residents have been subjected to consequences for non-attendance in the past. To that end, prompt efforts should be made to clarify that Locust Court residents are strongly encouraged—but not required—to attend resident meetings.

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4) Common Ground & Related Issues

Ms. Shoates raises several related concerns regarding Ms. Donald's (and Ms. Hardy's) response to the presence of the organization Common Ground at Locust Court. Common Ground's website identifies it as a "non-partisan group of ordinary citizens of Southeast Wisconsin, dedicated to identifying problems facing our community and implementing creative solutions." Though it pursues several different initiatives in the Milwaukee area, relevant to this investigation is Common Ground's Tenants United program, which began in 2023 and focuses on public housing issues in the City of Milwaukee. Ms. Shoates initially contacted Common Ground in the fall of 2023 and has worked with the organization since then to address a variety of concerns at Locust Court. Both she and Common Ground Associate Organizer Kevin Solomon, who has spent significant time at Locust Court and collaborated with Ms. Shoates, maintain that Ms. Donald has responded to Common Ground's organizing efforts at the property with hostility.

One significant point of contention is the Locust Court community room, which is located on the ground floor of the building. Ms. Shoates claims that on multiple occasions in 2024 Ms. Donald interfered with her desire to use the community room to meet with other tenants and with Common Ground organizers, including Mr. Solomon, in 2024. She and Mr. Solomon both noted a particular incident in the late summer of 2024, part of which Ms. Shoates recorded on her phone, wherein Ms. Donald and Ms. Hardy informed Mr. Solomon, Ms. Shoates, and other residents that: (1) they would need to sign up to use the community room and (2) the room was locked because it was oppressively hot due to the air conditioning being out. Mr. Solomon and Ms. Shoates challenged this assertion and insisted that they be allowed to enter the room, but they were refused access.

Ms. Shoates further alleges that Ms. Donald and Ms. Hardy interfered with Common Ground's presence at Locust Court prior to/on the day of the November 5, 2024, presidential election (for which Locust Court was a voting site). She contends that on October 30, 2025, Ms. Donald improperly used the Locust Court public address system to announce that Common Ground members were not welcome in the building and that Marvin Smith, a member of the maintenance staff, notified Common Ground organizers and residents that they should not be in the building. She states that even though Ms. Donald subsequently apologized for using the PA system, she continued to discourage Common Ground activities at Locust Court, including use of the community room for Common Ground meetings. Ms. Shoates and Mr. Solomon shared "Notice of Violation" documents with the investigator that they created for the dates of October 30 and November 5, 2024, to memorialize allegedly improper conduct by Ms. Donald and Mr. Smith. (Exhibit 7, Notices of Violation for 10/30/24 and 11/5/24).

Ms. Donald insists that she has nothing against Common Ground and that she did not attempt to interfere with Common Ground organizing efforts at Locust Court. Her principal assertion is that any efforts to limit Common Ground activities at Locust Court were motivated by resident complaints regarding Common Ground knocking on their doors or approaching them in common areas of the building. She denies preventing

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Common Ground from using the community room, though she did require the room to be reserved by a Locust Court resident (such as Ms. Shoates) and shared “Community Room Usage Rules” and “Community Room Request” documents with the investigator. Ms. Donald and Ms. Hardy both indicated that the community room has been a problem in the past, particularly due to the conduct of non-resident acquaintances or relatives of Locust Court tenants, and that it therefore became necessary to regulate its use.

Ms. Donald admits to using the PA system to announce that Common Ground organizers could not randomly knock on residents’ doors and would need to be accompanied by the residents whom they were visiting. She concedes that using the PA system for this purpose is contrary to HACM policy, which reserves the PA system for emergency use only, but states that the PA system is sometimes the only way to communicate an important message to the entire building efficiently. Ms. Donald states that in other instances she also attempted to limit outside organizations or entities from going door-to-door or approaching residents in common areas, such as when Spectrum and AT&T attempted to sell phone plans/television services on the premises.

Ms. Donald disagrees with the account presented in the October 30, 2024, Notice of Violation created by Common Ground and Ms. Shoates. She states that her only intent, as discussed above, was to protect the privacy of those residents who did not wish to interact with Common Ground and had shared their concerns with her. She allows that it is possible that she told Common Ground and affiliated residents that if her directives were not followed, Public Safety would be called, but she does not recall with certainty. She also states that she did permit Ms. Hardy to explain that Common Ground organizers should only be in the community room or with residents of whom they were guests but were not permitted to be on the residential floors knocking on doors. Ms. Donald also denies that there were any efforts to curtail Common Ground’s activities on November 5, 2025, since Locust Court was a voting location, and she would never wish to interfere with the voting process.

In most respects Ms. Hardy’s recollections align with Ms. Donald’s regarding building management’s interactions with Common Ground in 2024. Ms. Hardy, too, denies any bias against Common Ground and notes that the main concern with Common Ground was related to residents’ complaints of feeling harassed or intimidated by Common Ground’s attempts to engage with them on the Locust Court premises. Ms. Hardy also said that Common Ground does seem to be genuinely trying to assist residents, though she also shared her belief that at times Common Ground took credit for improvements that were attributable to her and Ms. Donald (for example, upgrades to the community room).

Though Ms. Donald and Ms. Hardy deny any personal animus towards Common Ground, this investigation substantiates the conclusion that building management adopted an (at best) inconsistent and unclear approach to Common Ground’s organizing efforts at Locust Court in 2024. Ms. Shoates’ video footage depicts both Ms. Donald and Ms. Hardy responding to Common Ground’s concerns in a confusing and unhelpful manner regarding the use of the community room to meet with residents and supports

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allegations of a shifting community room policy. Further evidence of a muddled response to Common Ground's presence includes Ms. Donald's admittedly improper use of the PA system and credible allegations by Ms. Shoates and Mr. Solomon of instances in which Ms. Donald or her staff exhibited a frustrated or hostile attitude towards Common Ground activities. Such conduct is inconsistent with HACM's core values, which emphasize consistently excellent customer service.

While I cannot conclude that Ms. Donald's or Ms. Hardy's actions effectively prevented Common Ground from interacting with Locust Court residents, a more consistent approach and better communication are required in the future, whether regarding Common Ground or members of other outside organizations (including members of the media). HACM would be well served to provide training and clear guidelines in this area to housing managers and on-site staff. Doing so would ensure uniformity and appropriately balance the rights of residents to organize and engage in activism against considerations of building security and respect for resident privacy.

D. Logan Hardy, Assistant Housing Manager, Locust Court

NOTE: Several of Ms. Shoates' concerns regarding Ms. Hardy—particularly those related to Common Ground's organizing efforts at Locust Court and management office hours/accessibility—are addressed in preceding sections.

Ms. Shoates contends that at an unidentified time Ms. Hardy improperly permitted resident T.W. to visit her home and that, on another occasion in June 2024, Ms. Hardy inappropriately asked a resident for money to do her laundry. She also alleges that T.W. has provided Ms. Hardy with marijuana in seeking to have a sexual relationship with her, that Ms. Hardy smoked marijuana on Locust Court premises during work hours at unspecified times in June of 2024 and thereafter, and that Ms. Hardy has been under the influence of marijuana while working. Additionally, when interviewed for this investigation Ms. Shoates mentioned an incident in which a resident accused Ms. Hardy of stealing jewelry from her residence.

Ms. Hardy denies fraternizing with or having inappropriate personal relationships with any Locust Court residents, including T.W. She denies socializing with T.W. or other residents or associating with them outside of her employment at Locust Court, though she did explain that on one occasion T.W. saw her outside of her mother's home. As noted above, Ms. Hardy does not dispute that T.W. and other (male) residents have made inappropriate comments to her, but she insists that she handles such behavior by addressing it directly with the individuals in question. Ms. Donald notes that she did have to counsel Ms. Hardy about ensuring that she was discreet in discussing matters such as outstanding rent with residents to ensure their privacy but denies having concerns about Ms. Hardy fraternizing with residents.

Because some of Ms. Shoates' allegations against Ms. Hardy pertain to potentially criminal activity, the investigator did administer a *Garrity* warning to her, which she confirmed she understood, before asking her about those issues. Ms. Hardy denied receiving any drugs from residents or using any illegal drugs while working. She stated

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that she was counseled on one occasion for vaping a nicotine product on the Locust Court premises during a break. She also explained the circumstances surrounding the incident in which a resident accused her of theft from her apartment, noting that the accusation arose after she had accompanied a pest control contractor to the resident's apartment. Ms. Hardy further recalled that she was in the resident's unit for a short period of time and that while the resident had a surveillance camera in her unit, it did not show any evidence that Ms. Hardy removed anything. Ms. Hardy's account was corroborated by Ms. Donald's recollections of the incident.

This investigation does not substantiate Ms. Shoates' allegations of resident fraternization or illegal activity by Ms. Hardy. Though Ms. Hardy has been counseled regarding a couple of incidents wherein she displayed poor judgment, the evidence reviewed does not support a finding that Ms. Hardy engaged in misconduct or criminality. The lack of specifics regarding some of these allegations made them difficult to investigate thoroughly and, to the significant (though not exclusive) extent that they depend on what resident T.W. shared with Ms. Shoates, their credibility is undermined by Ms. Shoates' own description of T.W. as a "conductor of chaos" who is "constantly keeping up a lot of drama at Locust Court with his gossiping and instigating." (Ex. 1, Complaint). However, it may be that a more specifically targeted investigation of Ms. Hardy's workplace conduct is warranted, particularly as nepotism concerns regarding Ms. Hardy (as further discussed below) could potentially have affected her supervisors' inclination to investigate or discipline her in the past.

II. Nepotism/Conflict of Interest Issues

It is undisputed that multiple current or recent HACM/Travaux employees are related to, or have close personal connections with, other HACM/Travaux employees. Though this investigation does not purport to address every such instance or to delve deeply into the past, the following addresses current potential nepotism/conflict of interest issues regarding several HACM/Travaux employees who are in notable leadership/management roles with the organization.

A. Crystal Reed-Hardy, HACM/Travaux Human Resources Director

Ms. Reed-Hardy, who has been the human resources director since 2011, has family/personal connections with the following individuals:

- Logan Hardy (daughter) – Assistant Housing Manager, Locust Court (Travaux)
- Jermaine Glosson (father of granddaughter) – Laborer, Travaux
- Priscilla Joiner (grandmother of granddaughter) – Housing Manager, Parklawn
- Debbie Joiner (great aunt of granddaughter) – Finance Specialist, Travaux
- Leonard Gage (cousin) – Public Safety Specialist, Travaux

None of the above-referenced individuals are directly supervised by Ms. Reed-Hardy, and Mr. Glosson and Priscilla and Debbie Joiner are not related to her by blood or marriage, which is how a "family member" is defined in HACM and Travaux's anti-nepotism policies. Nevertheless, personnel records show that Ms. Reed-Hardy played

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some role in employment decisions/actions related to all of these individuals, other than her cousin, Mr. Gage. Most notably, Ms. Reed-Hardy approved a wage increase for her daughter, Logan Hardy, in May 2024, approved the rehire of Mr. Glosson in December 2024 (after he had previously been terminated), and approved the hiring and promotions of Priscilla and Debbie Joiner.

When questioned about her understanding of nepotism/conflict of interest policies that apply to HACM and Travaux, Ms. Reed-Hardy stated that she is broadly familiar with such policies in the employee handbook but has not reviewed them in some time. She also admitted ignorance of any federal nepotism/conflict of interest regulations or policies. Ms. Reed-Hardy indicated that her general understanding is that employees should not report to or supervise relatives.

The investigator asked Ms. Reed-Hardy whether any of her relatives currently or previously worked for HACM or Travaux and clearly defined “relative” to include in-laws or persons in similar roles, even absent marriage. Ms. Reed-Hardy identified her daughter, Logan Hardy, and her cousin, Leonard Gage. She also mentioned another cousin, Corianne Bendlin, who worked for HACM in the rent assistance area several years ago. She did not, however, mention Mr. Glosson or Priscilla or Debbie Joiner and, when those names were provided to her, explained that she was not thinking of those individuals as relatives (even though they are closely related to her granddaughter).

Ms. Reed-Hardy denied playing any role in the hiring of her daughter, Logan Hardy, explaining that she delegated all HR responsibilities regarding Ms. Hardy to Mr. Slusar. She states that Ms. Hardy started as a temporary employee and that when Greg Anderson wished to hire Logan as a permanent employee, she encouraged him to speak with then Executive Director Hines about it. Ms. Reed-Hardy volunteered that she did something that she “probably should not have done” when she approved a raise for her daughter in 2024, noting that it was one of several equity increases for Assistant Housing Managers for which Mr. Anderson was the decision-maker. Ms. Hardy, for her part, denied being familiar with applicable nepotism or conflict of interest policies, but states that she did not have concerns about her mother’s role at HACM/Travaux because Ms. Reed-Hardy was not involved in her hiring and they do not discuss work matters. Ms. Reed-Hardy also indicated that she delegated any personnel decisions related to her cousin, Mr. Gage, to Mr. Slusar.

Ms. Reed-Hardy also denied playing any role in supervising Mr. Glosson, Priscilla Joiner, or Debbie Joiner. However, she did state that she “probably” had to sign off on the rehiring of Mr. Glosson. She notes that she does not have a close relationship with her granddaughter’s family, which is limited to their mutual interest in her granddaughter, and that Ms. Hardy and Mr. Glosson have not been together since the child’s birth. Ms. Reed-Hardy states that she disclosed her connection with Mr. Glosson to former Maintenance Director Jim Wellman and her connection with Priscilla Joiner to Mr. Anderson. She does not believe that she disclosed her personal connection with Debbie Joiner to the Executive Director or other HACM leadership.

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Mr. Slusar's¹ recollections contradict Ms. Reed-Hardy's contention that she disclosed her relationships with the above-referenced people to HACM leadership and took appropriate measures to separate herself from decisions regarding her family members (notably Ms. Hardy and Mr. Glosson). According to Mr. Slusar, Ms. Reed-Hardy used a temporary agency to bring Ms. Hardy into the organization before she was hired directly, noting that if other upper level HACM employees (such as Fernando Aniban²) could hire their family members, she should be able to do the same. Mr. Slusar states that while human resources duties regarding Ms. Hardy were ostensibly assigned to him, his role was to provide a "rubber stamp" while the actual authority remained with Ms. Reed-Hardy, whose relationship with her daughter effectively insulated/protected her. Mr. Slusar also notes that Mr. Glosson's current stint with HACM is his third, as he was previously terminated twice. Mr. Slosson and Ms. Reed-Hardy discussed possibly hiring him for a third time in late 2024, with Mr. Slusar urging Ms. Reed-Hardy not to do so. However, while Mr. Slusar was out of the office on vacation, Ms. Reed-Hardy decided to rehire Mr. Glosson.

Ms. Reed-Hardy conceded that she could understand why her role as human resources director might present concerns about nepotism/conflicts of interest when family members or others with whom she has close personal connections are also employed by HACM/Travaux. Her account of the culture at HACM/Travaux since she started in 2011 is that relatives could be employed by the organization(s) provided that the Executive Director or other member of leadership approved, and that, generally speaking, family members could be employed absent a direct supervisory or subordinate relationship.

This investigation substantiates several significant concerns regarding Ms. Reed-Hardy's family/personal connections to HACM/Travaux employees. Though it is cited above, the HACM nepotism policy is worth repeating here in relevant part:

No person will be appointed if related by blood or marriage to the appointing officer, appointing board, or direct supervisor, but may be appointed by a non-relative where appropriate. Employees are prohibited from supervising and/or exercising management authority (directly or indirectly) over family members and/or participating in (directly or indirectly) employment decisions/actions concerning family members, including but not limited to the following:

- Initial hire and/or interview
- Retention, promotion and/or transfer
- Salary decisions

¹ When interviewed, Mr. Slusar disclosed the fact that his cousin was employed by HACM as a maintenance worker from 2015-2017. While that time frame is beyond the scope of this investigation, it is noted here in the interests of completeness.

² Mr. Aniban resigned from his position as HACM Assistant Secretary in January 2025. His daughter-in-law, Kazoua Xiong, and his son's fiancé, Erica Henson, both of whom were employed by HACM, also resigned in January 2025. Though they are not the focus of this investigation due to their departures from the organization, their HACM employment certainly raises significant nepotism/conflict of interest concerns.

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- Work assignments, including scheduling
- Leaves of absence
- Performance evaluations and/or disciplinary actions

Also worth repeating is a relevant portion of the general procurement standards found in 2 CFR 200.318:

A conflict of interest includes when the employee, officer, agent, or board member, any member of their immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an entity considered for a contract.

Lastly, Form HUD -53012: Annual Contributions Contract states, in relevant part:

c. The HA shall not hire an employee in connection with a project under this ACC if the prospective employee is an immediate family member of any person belonging to one of the following classes:

1. Any present or former member or officer of the governing body of the HA. There shall be excepted from this prohibition any former tenant commissioner who does not serve on the governing body of a resident corporation, and who does not occupy a policymaking position with the HA.
2. Any employee of the HA who formulates policy or who influences decisions with respect to the project(s).
3. Any public official, member of the local governing body, or State or local legislator, who exercises functions or responsibilities with respect to the project(s) or the HA.

d. The prohibition referred to in subsection (c) shall remain in effect throughout the class member's tenure and for one year thereafter.

e. A class member shall disclose to the HA the member's familial relationship to the prospective employee.

f. For purposes of this section, the term "immediate family member" means: the spouse, mother, father, mother-in-law, father-in-law, brother, sister, brother-in-law, or sister-in-law, or child of a covered class member (whether related as a full blood relative, or as a "half" or "step" relative, e.g., a half-brother or stepchild).

As the human resources director for the entire HACM and Travaux organizations, it is fair to say that Ms. Reed-Hardy exercises significant authority regarding organizational policies and most HACM/Travaux employees, regardless of whether she directly supervises them. For this reason, while the most diligent attention to nepotism and conflict of interest policies and best practices should be expected of her, the evidence indicates that she fell far short of that standard. Particularly (but not exclusively) troubling are her admission that she is not particularly familiar with nepotism/conflict

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of interest policies, her concession that she should not have signed off on a raise for her own daughter, and her lack of candor when asked to identify HACM/Travaux employees to whom she has family or personal connections. On the latter point, though it is true that neither her cousin's nor her granddaughter's relatives meet the strict definition of "family member" in HACM/Travaux policies, it is still reasonable to conclude that Ms. Reed-Hardy's involvement in those individuals' employment raises serious conflict of interest issues. Though Ms. Reed-Hardy maintains that she took appropriate steps to avoid conflicts of interest, the record suggests otherwise, particularly given her long-standing and influential position within the HACM/Travaux organizational chart. Her actions regarding her daughter—who clearly does meet any applicable definition of a "family member"—are particularly egregious. Credible evidence indicates that Ms. Reed-Hardy understood her actions were potentially problematic, thereby prompting her to erect sham barriers between herself and her daughter's employment.

Ms. Reed-Hardy may well be correct that a relatively permissive culture regarding nepotism has existed at HACM and Travaux for some time. Yet as the long-standing head of human resources she cannot credibly deflect blame to an organizational culture of which she was a major part. Whatever the practices of the past, in the present day there can be little excuse for an individual in a senior leadership position (like hers) failing to recognize/observe appropriate protocols to prevent actual or perceived conflicts of interest, let alone intervening in the employment of family members/personal connections while making efforts to evade scrutiny for doing so.

B. Michael Wellman, HACM Maintenance Supervisor

Michael Wellman has family/personal connections with the following individuals:

- James Wellman (father) – (Former) Maintenance Supervisor/Director
- Milagros "Millie" Nieves (spouse) – Senior Administrative Assistant, HACM; formerly Senior Administrative Assistant, HACM

Michael Wellman has worked for HACM for 18 years. At the time of Michael's hire his father, James Wellman, was a mechanic and was not in a supervisory role, nor was he involved in his son's hiring. Michael recalls that when he initially applied to HACM he stated that his father was an employee and that their family relationship was common knowledge. Michael spent less than a year as a janitor before being repeatedly promoted to a series of building maintenance roles under Director of Property Management Beverly Johnson. Michael served about one-and-a-half years as a Building Maintenance Mechanic, approximately three years as a Building Maintenance Mechanic II, and over a decade as a Lead Maintenance Mechanic. Shortly after Michael became a Lead Maintenance Mechanic his father, James, was promoted to Director of Maintenance Operations. In that role, he did not supervise his son, who remained under the authority of Ms. Johnson.

In early 2023 James Wellman retired from his position as Director of Maintenance Operations and his son, Michael, was promoted to Maintenance Supervisor, effectively replacing his father and receiving a significant pay raise. This promotion resulted from

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an interview process in which James Wellman, who was no longer a HACM employee, did not play a direct role. James was, however, retained as a contractor by HACM to train Michael for his new role. During this training period both Michael and James Wellman were under the supervision of Greg Anderson. James Wellman is no longer employed by or contracted with HACM or Travaux as of this writing.

Michael Wellman's spouse, Milagros "Millie" Nieves, is also a HACM employee. Indeed, she and Michael met by virtue of their HACM employment; at the time, she worked in rent assistance. In March of 2022—before Michael became Maintenance Supervisor—Ms. Nieves was transferred from Senior Housing Assistant to Senior Administrative Assistant – Maintenance. She was in that position at the time of her husband Michael's promotion and remained there for nearly 2 years until she moved to the Department of Neighborhood Services in December 2024. During that period Michael was not her direct supervisor—that was Gloria Munoz—but he did have supervisory authority over her. Michael Wellman states that he was concerned about the situation with his wife at the time of his promotion but that nobody at HACM raised the issue. He further states that while he does not know why Ms. Nieves was moved to a different position recently, he was relieved that the move occurred.

When asked to explain his understanding of nepotism/conflict of interest policies applicable to HACM, Michael Wellman stated that he believed there was not an issue absent a supervisory relationship between family members. He assumed that if there were any concerns regarding his family relationships at HACM, someone in leadership would have spoken out. Additionally, he emphasizes that he and his father were never in a supervisor-subordinate relationship and that, if anything, he was held to a higher standard because of his father's good reputation in the organization.

It does not appear that the simultaneous employment of James and Michael Wellman violated the letter of HACM's policies or federal requirements, particularly because—as Michael notes—there was no supervisory relationship. However, the decision to retain James as a contract employee to train Michael, even if James was not considered his supervisor, was reasonably likely to give the impression of nepotism or a conflict of interest, particularly coming directly on the heels of Michael's promotion to take his father's place. While this investigation did not review the relative qualifications of the candidates for the position, and Michael may have been a qualified candidate, it is not difficult to see why an outside observer would conclude that Michael was effectively his father's heir apparent. In this respect, the handling of the situation risked damaging public confidence in the organization's processes, even if no express policy was violated. Further, the blurring of personal and professional connections in this instance risked violating the spirit, if not the precise letter, of applicable conflict of interest provisions in the federal regulations and HUD guidance.

The nearly two years that Michael Wellman had supervisory authority over his wife was a clear violation of applicable organizational and federal nepotism and conflict of interest policies. Though Michael contends that nobody in HACM leadership objected (which is itself problematic), that is no excuse for allowing the situation to persist. Having just

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been promoted to a leadership role and admittedly felt uncomfortable with a scenario that he knew/should have known violated policies, it was incumbent on him to address the issue promptly. Instead, he appears to have waited for someone else to act.

C. Marquetta Treadway, HACM Director of Leasing & Compliance

Ms. Treadway has a family/personal connection with the following individual:

- Nathaniel Treadway (son) – Maintenance Specialist, HACM

Nathaniel Treadway has worked as a Maintenance Specialist at a HACM property (College Court) since early 2024. Among other responsibilities, Marquetta Treadway supervises recertification and intake specialists and deals with a variety of required submissions to HUD. At no point has she supervised her son, who performs a maintenance role. Ms. Treadway recalls that when her son was considering applying to HACM she reviewed the employee handbook and also discussed the issue with Ms. Reed-Hardy, who indicated that there was no concern and encouraged her to have Nathaniel apply. Ms. Treadway states that her understanding is that there are no nepotism issues absent a supervisory relationship. There is no evidence that Ms. Treadway played any role in the hiring process for Nathaniel.

In this instance, Mr. Treadway's employment does not appear to violate applicable policies or present the appearance of undue influence or conflict of interest. Though Ms. Treadway and her son are both HACM employees, this investigation did not find that their duties and responsibilities overlap or are interconnected such that their family relationship present concerns. Further, Ms. Treadway appropriately reviewed the HACM employee handbook and consulted with the Human Resources Director before encouraging Mr. Treadway to apply.

D. Dakisha O'Bee, HACM Assistant Director of Property Management

Ms. O'Bee has a family/personal connection with the following individual:

- Gregory Washington (son) – Job Coach/Case Manager, Travaux

Gregory Washington is employed by Travaux as a Case Manager/Job Coach. Dakisha O'Bee, his mother, has held several roles at HACM; she has been in her current role for less than a year, but has been employed by HACM for several years, working her way up from a temporary position. As Assistant Director of Property Management she oversees 9 HACM properties and supervises the on-site management at those properties. Ms. O'Bee admittedly is unfamiliar with any of the nepotism or conflict of interest policies that apply to HACM and Travaux. She states that she did not have any concerns about her son being employed by Travaux because their positions are not at all related or aligned. Ms. O'Bee denies playing any role in Mr. Washington's hiring, aside from informing him that Travaux and HACM had job openings when he was looking for a job.

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This investigation does not find that the family relationship between Ms. O'Bee and her son, Mr. Washington, violates applicable nepotism or conflict of interest policies. Though Travaux is a subsidiary of HACM, the organizations are distinct, and the two individuals do not have related job responsibilities or share a supervisory relationship. However, it is concerning that Ms. O'Bee, who is in a managerial role with HACM and supervises multiple people and properties, is admittedly completely unaware of nepotism and conflict of interest policies, laws, and regulations. This point highlights the work yet to be done in training and educating employees—and particularly leadership—about this critical issue going forward.

E. LaToyia Gibson, HACM/Travaux Senior Human Resources Generalist

Ms. Gibson has a family/personal connection with the following individual:

- Savannah Gibson (daughter) - Assistant Housing Manager, Berryland (Travaux)

Savannah Gibson, LaToyia Gibson's daughter, has been employed by Travaux since February of 2023. She has held multiple positions during that period and is currently Assistant Housing Manager at the Berryland property. LaToyia Gibson has been with HACM/Travaux in some capacity since 2013 and has been in her current role since 2019. She has performed a broad array of human resources functions, including managing employee benefits, FMLA, and recruiting functions. LaToyia has known Crystal Reed-Hardy for many years, dating back to when they worked together at Milwaukee Health Services between 2002-2009. LaToyia states that during that period she and Ms. Reed-Hardy were quite close and that they socialized and watched each other's children. They do not spend as much time together outside of work these days, but they still carpool to work.

LaToyia Gibson states that she is familiar with nepotism and conflict of interest policies applicable to HACM/Travaux in her human resources function. She denies any nepotism or conflict of interest regarding her daughter Savannah because she does not supervise Savannah or make decisions that affect her employment, and they are not close to each other in the organizational structure. LaToyia asserts that she has asked Mr. Slusar to take on any human resources tasks that may relate to Savannah and that LaToyia would otherwise handle, such as FMLA requests. She notes that Ms. Reed-Hardy and others were well aware that Savannah was her daughter when she was hired by Travaux and that there were no objections or concerns voiced.

Mr. Slusar's recollections contradict Ms. Gibson's assertions. According to Mr. Slusar, Ms. Reed-Hardy and LaToyia Gibson discussed bringing Savannah Gibson into the organization via a temporary agency, as had occurred with Logan Hardy. Further, Mr. Slusar's comments rebut LaToyia's insistence that she has avoided any decisions related to her daughter's employment. He notes that in 2023 LaToyia attempted to influence a hiring decision regarding Savannah in the rent assistance department, lobbying the hiring manager to select Savannah despite the manager's preference for another candidate. Mr. Slusar also cites at least one instance in which Ms. Reed-Hardy directed him to approve an FMLA request from Savannah.

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While the simultaneous employment of LaToyia and Savannah Gibson does not, in isolation, clearly violate applicable nepotism and conflict policies, credible evidence suggests that LaToyia Gibson improperly inserted herself into decisions regarding Savannah Gibson's employment. As discussed above, not only did LaToyia attempt to intervene in a hiring decision regarding her daughter, but Ms. Reed-Hardy, with whom both LaToyia and Savannah have had a long-standing personal relationship, has approved Savannah's promotions within the organization and is listed as her supervisor on relevant documentation. These facts strongly suggest the presence of conflicts of interest that potentially violate the policies, regulations, and contract provisions cited in this report. As with some of the other scenarios discussed in this report, this employment dynamic therefore warrants careful examination by HACM/Travaux leadership, with an eye toward (at a minimum) updating and clarifying nepotism and conflict of interest expectations in the organization, training and educating employees on those expectations, and ensuring ongoing compliance.

CONCLUSION

We appreciate the opportunity to complete this investigation and are happy to discuss any of the above-referenced items further as needed.

Very truly yours,

Buelow Vetter Buikema Olson & Vliet, LLC

A handwritten signature in black ink, appearing to read 'J.M. Carroll', with a stylized flourish at the end.

James M. Carroll

c: Assistant City Attorney Gregory Kruse (via email only: grkrus@milwaukee.gov)



**CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION/ATTORNEY
WORK PRODUCT**

May 21, 2025

VIA EMAIL ONLY: Kenneth.Barbeau@hacm.org

Housing Authority of the City of Milwaukee
c/o Ken Barbeau, Acting Secretary-Executive Director

RE: Investigation of Issues Related to Complaint by Felicia Shoates

Dear Mr. Barbeau:

I write to clarify an ambiguity in my April 15, 2025, investigative report. In the first full paragraph of page 22 of that report, I state: "Michael Wellman's spouse, Millagros 'Millie' Nieves is also a HACM employee." Later in the same paragraph, I note that Ms. Nieves "moved to the Department of Neighborhood Services in December 2024." The latter sentence could be read to (incorrectly) suggest that Mr. Nieves is a Department of Neighborhood Services employee and, therefore, no longer employed by HACM. That is not the case. While Ms. Nieves' current role with HACM requires her to interact with the Department of Neighborhood Services regularly, she remains a HACM employee.

Please note that the conclusions expressed in my report were premised on the understanding that Ms. Nieves was, and remains, a HACM employee. This clarification therefore does not modify my determinations regarding Mr. Wellman's conduct relative to applicable nepotism policies.

Please let me know if you have any questions.

Very truly yours,

Buelow Vetter Buikema Olson & Vliet, LLC

A handwritten signature in black ink, appearing to read "J.M. Carroll".

James M. Carroll

c: Assistant City Attorney Gregory Kruse (via email only: grkrus@milwaukee.gov)



HOUSING AUTHORITY OF THE
CITY OF MILWAUKEE

Cavalier Johnson
Mayor

Ken Barbeau
Acting Secretary-Executive Director

Board of Commissioners

**Memo—Additional Information Regarding the 4/15/2025 Investigative Report by the firm, Buelow
Vetter Buikema Olson & Vliet, LLC**

From: Ken Barbeau

Date: July 21, 2025

When the original Investigative Report was received in May, Assistant City Attorney Greg Kruse and I had a phone conversation to walk through the report with James Carroll, the attorney that conducted the investigation. Mr. Carroll walked us through the various sections of the report and answered questions regarding it.

Regarding the section regarding Michael Wellman on pages 21 to 23, Attorney Carroll walked through the facts that he laid out in the report. However, Mr. Carroll also strongly recommended that we should double check the chronology of events and actual Human Resource documentation as well. He said that this was a very complicated situation and that he lacked access to documents from Human Resources to confirm the details, dates, titles, etc., due to the fact that a separate part of the investigation directly involved the Human Resources department. He said he was unsure that he got all the facts correct on this part of the investigation.

In my initial review of the report, the first paragraph in the section appeared to be fairly accurate in the details. Jim Wellman (the father) was promoted to Maintenance Director in January 2020 from Maintenance Manager which he had been for a number of years. He then retired from HACM and was hired by Travaux in July/Aug 2021 as the Maintenance Director. In all of these roles, Jim Wellman provided full supervision and oversight to HACM's Central Maintenance department, as he was promoted to manage that department shortly after Dan Waters had retired.

During that time, his son, Michael Wellman was still working for property management in onsite maintenance at Parklawn and was not under the Central Maintenance department. Rather, Mike's immediate supervisor would have been the Parklawn property manager, then the Public housing Supervisor, and then Greg Anderson (and before Greg Anderson, it would have been Beverly Johnson). So, the conclusion that Attorney Carroll laid out that the father had not supervised the son up to 2023 was correct.

Milagros "Millie" Nieves had been hired by HACM in August 2011 and worked in the Rent Assistance office in a number of positions, with latest one as Senior Housing Assistant-Certifications. Sometime in those years, she met Michael Wellman who worked in a different department at Parklawn, and they started dating. In 2020, she and Michael Wellman were married.

In March 2022, she applied and interviewed for a job opening as a Senior Administrative Assistant in the Central Maintenance department, and got the job. As Attorney Carroll stated, at that time, Michael Wellman was still at Parklawn, so he did not have a direct conflict of interest.

In February 2023, after a series of interviews, Greg Anderson promoted Michael Wellman to Maintenance Supervisor in the Central Maintenance department. In this position, Michael was primarily working with the central maintenance technicians that worked on work orders in the field and probably receiving training from his father in the meantime. It was established that he would report to Greg Anderson rather than Jim Wellman (actually, both of them reported to Greg Anderson).

The investigative report states that Mike Wellman had supervisory authority over his wife, Millie Nieves. However, based on my review, that does not appear correct. During this training period from February 2023 to December 2024, Jim Wellman continued to train Michael in his position as Maintenance Supervisor, while Jim was still supervising and managing the Central Maintenance department. Jim Wellman was the overall manager of the department, represented the department at senior staff meetings, and made managerial decisions up until his last day on January 24, 2025. He supervised the administrative staff in the department. While technically, during this time, Millie Nieves reported to Gloria Munoz, Gloria Munoz then reported to Jim Wellman (not Mike Wellman who managed a number of other Maintenance staff).

In December 2024/January 2025, it was clear that HACM needed more effective tracking and monitoring of Department of Neighborhood Services (DNS) violations to ensure proper and timely completion. Millie Nieves was originally identified to assist Greg Anderson in tracking these items. When Greg Anderson left HACM on 2/3/2025, she then began working under Chief Operating Officer Dena Hunt to ensure appropriate monitoring of the DNS violations, as well as other issues related to Quality Control. That led to the creation of a new role within HACM, as a Quality Control Coordinator in the Housing Management department, under Dena Hunt. While her official transfer to a new Quality Control Coordinator position in the Housing Management department was not effective in Paycom until 3/10/2025 (since the job description had to be developed for this newly created position), in effect it was effective earlier, in January/February 2025.

Thus, based on my review of the chronology, it does not appear accurate that Michael Wellman had supervisory authority over his wife for a two-year period from 2023 to 2024.

However, that does not mean that there was not a perceived conflict of interest regarding the hiring of Ms. Nieves in the department and the hiring of the son, Mike. While it does not appear that Jim Wellman was involved in the hiring decision or on other staffing decisions on either case (as Mr. Anderson made those decisions), nor was the "direct supervisor", he still was the overall manager of the department.

It was poor judgment on the part of the father, Jim Wellman, to have agreed to have his daughter-in-law be hired into a position in his department in 2022 and to train his son, even if their immediate supervisor was not him. It was especially poor judgement on the part of HACM Executive Management and Human Resources to have approved it at the time without requesting approval from the HUD Field Office. While these actions may have been in accordance with HACM's Employee Handbook policies at the time, they were not in accordance with the federal regulations from HUD and create the perception of conflict of interest. At this time, however, these senior staff who made these decisions are now former HACM employees and no longer work for the organization.