MONTHLY REPORT TO THE BOARD OF COMMISSIONERS
Housing Authority of the City of Milwaukee
Housing Choice Voucher Program

July 2026

EXECUTIVE SUMMARY:

July marked a significant transition period for the Housing Choice Voucher (HCV) Program following HUD's removal of HACM from funding shortfall status on June 24, 2026. After nearly two years without issuing new vouchers, CVR rapidly resumed leasing activities by initiating eligibility processing for the first 400 families selected from the HCV waiting list, with an additional 400 families scheduled for processing in early August. Simultaneously, CVR began absorbing portability vouchers and continues preparations with the HACM Executive Team to convert eligible Emergency Housing Voucher (EHV) families to regular HCV assistance following completion of the required Administrative Plan amendments. These efforts position HACM for increased leasing activity through the remainder of 2026, with the greatest impact on voucher utilization expected in 2027.

Customer service demand increased significantly during July due to waiting list notifications, the PBV/Public Housing "Save My Spot" campaign, and the resumption of HCV admissions. Despite the increased volume, staff maintained service delivery while expanding training efforts and strengthening operational consistency across departments.

Continued Occupancy operations made measurable progress reducing the annual recertification backlog while emphasizing participant engagement and compliance over unnecessary program terminations. Enhanced coordination with PBV property managers, weekly staff oversight, and focused follow-up efforts continue to improve recertification timeliness and documentation quality. Quality Control activities remain focused on reducing recurring processing errors through targeted coaching and agency-wide training, supporting continued improvement in SEMAP Indicator 3 performance.

The VASH program continues to demonstrate substantial operational improvements. Average voucher issuance remains approximately 10.5 days, significantly improved from the VA's previously reported average of 50 days, while average lease-up time has been reduced from 76 days to approximately 65 days. Housing search time continues to improve and remains the largest contributor to lease-up timelines, highlighting the need for continued landlord recruitment and housing availability. Veterans Affairs continues to recognize the efficiency of HACM's internal VASH processing despite ongoing external housing market challenges.

Inspection operations maintained historically high production levels with the addition of a third full-time inspector, completing 1,359 inspections during July. Although the monthly NSPIRE owner fail rate increased to 50%, new abatements remained stable. HACM also continued implementation of enhanced abatement enforcement procedures designed to encourage timely owner repairs while protecting participants by issuing vouchers to relocate families when units remain in extended abatement.

Significant progress was also achieved in improving HUD reporting accuracy. Staff submitted 1,683 PIC transactions with a 97.6% first-pass acceptance rate while reducing the PIC error backlog by 33%. Completion of remaining correction efforts is expected to improve late annual recertification reporting and strengthen overall data integrity. The PIC reporting rate holds steady at 98%.

From a SEMAP perspective, CVR currently projects Standard Performer status for 2026. While the CVR continues to achieve full compliance in most operational indicators, management remains focused on improving performance in Rent Reasonableness (Indicator 2), conducted additional staff training for Adjusted Income Calculations (Indicator 3), strives for full compliance with Late Recertifications (Indicator 9), and has undertaken significant efforts towards Lease-Up Utilization (Indicator 13) with the recent shortfall status removal from HUD. Aggressive leasing strategies have been implemented since HUD lifted HACM's funding shortfall designation in late June; however, future success will also depend on external factors outside of CVR’s control including PBV unit readiness and suitability determinations, and timely implementation of Administrative Plan changes for Emergency Housing Voucher conversions.

OPERATIONAL DETAILS BY DEPARTMENT

STAFFING

Below is a summary of current staffing allocated to this engagement:

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	3	3	0	0
Abatement Coordinator	1	1	0	0
ADMISSIONS AND LEASING				
Admissions Supervisor	1	1	0	0
Portability Specialist	1	1	0	0
Lease and Contracts Specialists	3	2	1	0
Eligibility Specialists	2	2	0	0
Wait List Specialist	1	1	0	1
Housing Specialist (Rent Increases)	1	0	1	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	0
Housing Specialist	3	3	0	0
COMPLIANCE AND CUSTOMER SERVICE				
Customer Service/Compliance Manager	1	1	0	0
Enforcement Specialist	1	1	0	1
PIC / Reporting Analyst	1	1	0	1
Customer Service Representative	8	5	3	2
Total:	**35**	**30**	**5**	**5**
-Corporate Staff-				
Sr. Associates	-	1	-	-
Associates	-	2	-	-
Jr. Associates	-	2	-	-
QC Specialist	-	2	-	-
HCV Leasing Supervisor	-	1	-	-
HCV Eligibility/Leasing Specialists	-	4	-	-
HCV Waiting List Specialist	-	1	-	-
Total Corporate Support		**13**		

-Subcontractors-				
BDO Finance	-	-	-	-
NKA Compliance and QC Manager	1	1	-	-
NKA Recertification Specialists	8	8	-	3
Total Subcontractors	**9**	**9**		
Total Workforce Numbers				
Grand Total:	**44**	**52**	**5**	**8**

Recruitment and retention challenges continue to impact staffing, with a notable number of candidates not completing onboarding and training. To maintain service levels and minimize operational disruptions, CVR continues to leverage corporate support staff to assist with vacancies and ensure continuity of operations.

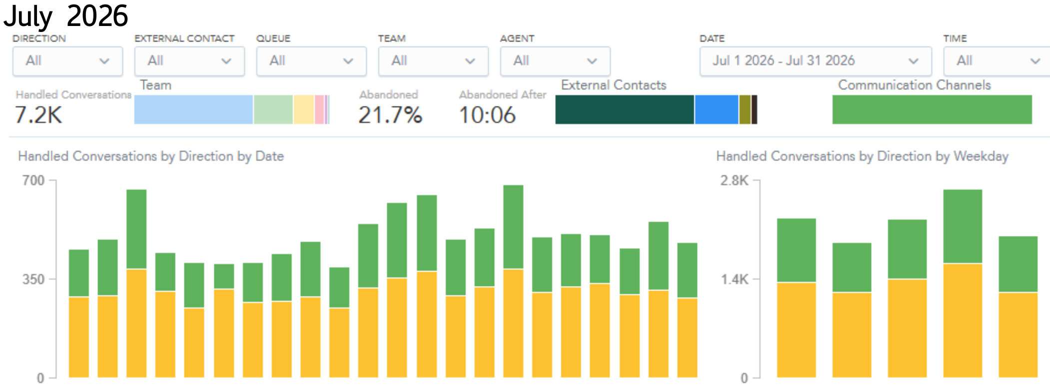
CVR is continuing its relationship with NKA Subcontractors Group into 2026 to maintain the MBE requirement in year 2. NKA hired 3 additional recertification specialists in the month of July, bringing their recertification specialists team to a total of 8 specialists. They will begin processing in August once they have completed training.

CALL CENTER AND CUSTOMER SERVICE

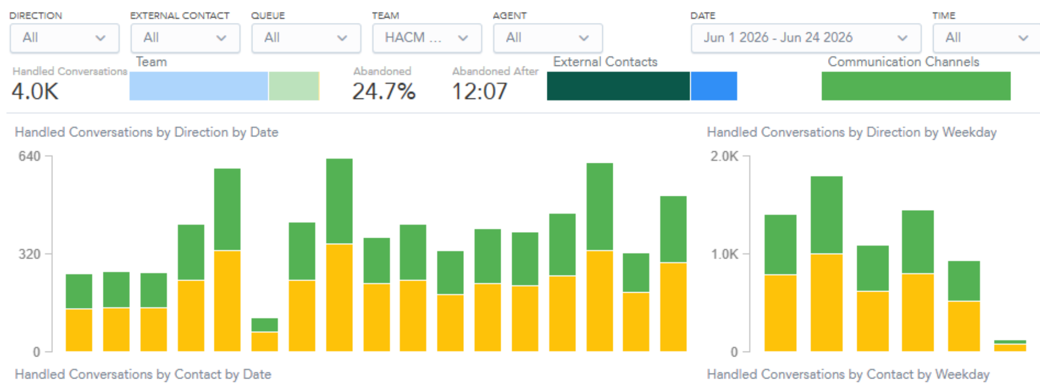
In July, the call center handled approximately 7,200 total inbound and outbound calls, reflecting in a significant increase in overall calls answered compared to June. The primary drivers for the increase in service levels include the HCV waiting list lottery and notifications sent to 8,800 applicants, PBV and Public Housing waiting list ‘Save My Spot’ promotion, and pulling 400 HCV applicants off the HCV waiting list for eligibility for the first time in two years. Customer Service training sessions were also conducted to strengthen internal staff readiness for high-volume coverage needs.

Leadership continued weekly operational and training-focused meetings with Customer Service staff, emphasizing portability and move processes, account notation accuracy, complaint de-escalation, documentation completeness, rent increase processing, and inspection procedures. These efforts, in coordination with Operations, supported ongoing process alignment and improved consistency across functions. All staff are required to create tickets for families requiring follow-up and to properly document all drop-offs to ensure accountability and continuity of service.

July 2026



June 2026



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, 30 persons are assisted in each session. The main reasons for assistance include:

- Rent Café credential resets
- Assistance in completing the annual recertification process
- Assistance in completing the initial eligibility process
- Assistance in completing "Save My Spot" waiting list for PBV and Public Housing

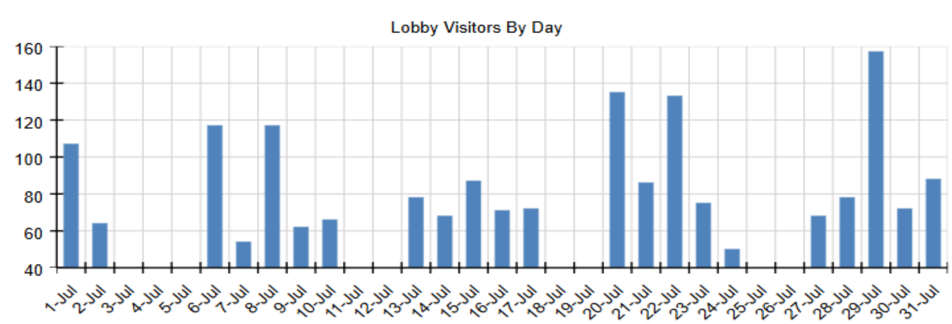
CUSTOMER SERVICE LOBBY

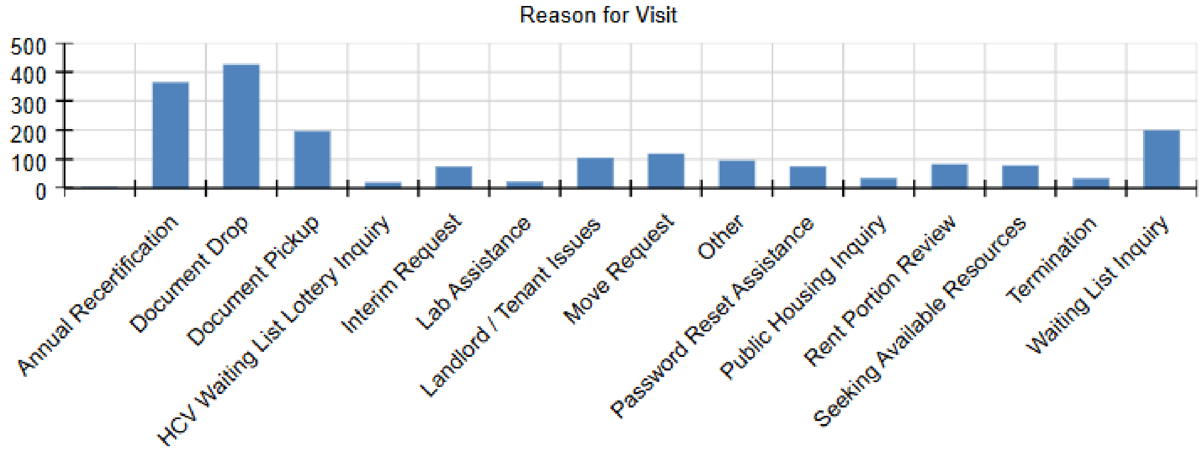
In July, Customer Service staff assisted a total of 1,859 families in the office. The majority of visits were related to document submissions, annual recertifications, move requests, and waitlist inquiries.

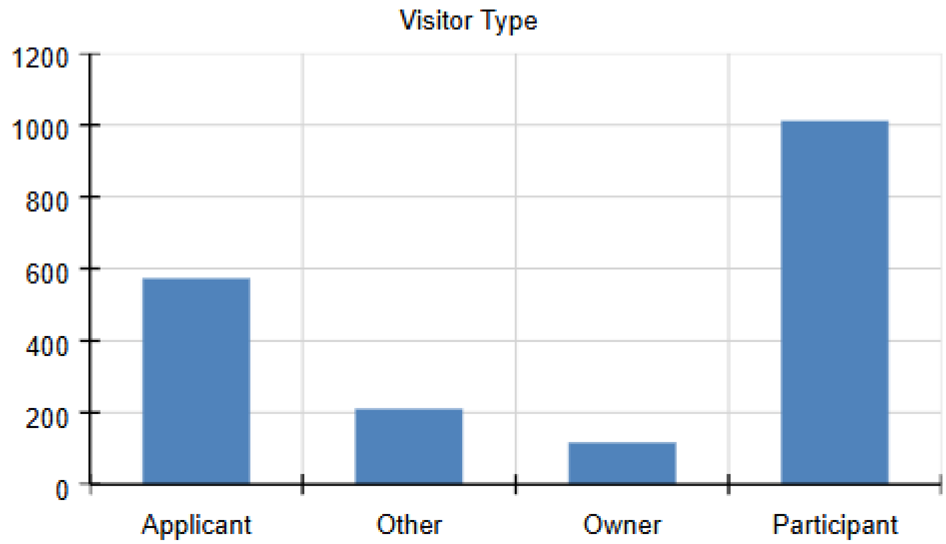
Reinforcing first-contact resolution remains a key operational priority. Continued training in issue resolution, policy clarity, and communication consistency is expected to reduce repeat visits and follow-up contacts, which currently contribute to workload pressure.

While cross-functional support has been essential in maintaining service levels, the long-term objective is to reduce dependency on external assistance. Leadership has established clear attendance and productivity expectations and continues to ensure structured escalation protocols are consistently applied when service thresholds are reached. Customer Service training was also conducted this month for internal staff to improve readiness during peak volume periods.

July 2026







INTAKE AND LEASING
Wait Lists Summary:

Type	Comments
HCV	Currently closed, 4,600 pre-applications pending from 2021-2024

CVR competed the random waiting list selection of 5,000 applicants from the list of 8,801 applicants to regain compliance with HACM's Administrative Plan on June 17, 2026.

Notices were sent to all 8,801 applicants via their Portal account and email on record to notify them if they were placed on the official HCV waiting list or not and any next steps and reminders. Applicants not selected to be placed on the official HCV waiting list will not have an opportunity to appeal the random selection. For the 5,000 applicants who are placed on the official HCV waiting list, this does not mean that the families are eligible or will receive a Voucher to search right away.

On June 24, 2026 HACM was released from shortfall status, which means that the program can issue Housing Choice Vouchers for the first time in two years.

CVR quickly ramped up corporate support to support this effort, bringing in an experienced team including a supervisor, 4 specialists, and a waiting list support specialist to aid in this effort. Initial eligibility workflows were initiated on July 10, 2026 for the first 400 families. CVR also worked with HUD and HACM regarding approximately 93 families who were in the eligibility process from 2023-2024 but due to entering shortfall status, vouchers were unable to be issued to these families. Intake workflows were also initiated and the team began working with the families regarding their eligibility.

The first HCV briefing is scheduled for August 7, 2026 for the first 29 families who have been determined eligible and CVR anticipates conducting weekly briefings for the foreseeable future as families are determined eligible. CVR will be conducting virtual group briefings for eligible families. The HCV Briefing Video is located at https://www.youtube.com/watch?v=jqfqktN5tyY, and enclosed with this Report is the HCV Briefing Packet, as well as the finalized version of the Request for Tenancy Approval packet.

PBV Wait Lists
Numbers represent after generation

Property	1br	2br	3br	4br	5br
Becher Court	5,475	2,342	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	17,591	1,727	839
Cherry Court	6,999	N/A	N/A	N/A	N/A
Convent Hill	8,690	N/A	N/A	N/A	N/A
Highland Gardens	10,361	3,365	N/A	N/A	N/A
Holton Terrace	6,464	N/A	N/A	N/A	N/A
Lapham Park	5,028	1,955	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	6,410	N/A	N/A	N/A	N/A
Olga Village	6,044	2,007	N/A	N/A	N/A
Prairie Apartments (Referrals)	N/A	N/A	N/A	N/A	N/A
Scattered Sites	N/A	16,704	4,998	1,341	283
United House (Referrals)	N/A	N/A	N/A	N/A	N/A
Victory Manor	9,205	N/A	N/A	N/A	N/A
Water Tower View (Referrals)	N/A	N/A	N/A	N/A	N/A
Westlawn	11,174	7,302	4,307	1,214	269
Westlawn Gardens	8,995	N/A	N/A	N/A	N/A
MLK (Referrals)	N/A	N/A	N/A	N/A	N/A

Summary:
CVR coordinated with Yardi and HACM's Marquetta Treadway (Public Housing) to prepare for a large waiting list continued interest process called "Save My Spot". On July 17th, all Project-Based Voucher (PBV) waiting list applicants (and Public Housing) received "Save My Spot" notices, which advises the applicant that in order to maintain their position on the applicable waiting list(s) they need to log into their portal and indicate their continued interest. To ensure the process was completed accurately, both the Waiting List Acceptance Dashboard and the Request Approval Dashboard were reviewed, with each containing more than 1,000 entries. Marquetta Treadway

(Public Housing) and CVR's Admissions Supervisor, Ebony Jiles, processed all requests before the "Save My Spot" notifications were sent to applicants.

As a result, the number of applicants on all waiting lists increased significantly, with some lists growing by more than 1,000 applicants. Applicants have until August 16, 2026 to indicate their continued interest in remaining on any applicable PBV or Public Housing waiting lists. It is anticipated that, following the completion of the waiting list purge process, the overall number of applicants will decrease, allowing us to reach individuals and families who are still actively in need of housing more efficiently.

PBV Waiting List Pull Activity

Lapham: 75 selected from 1 bedroom waiting list

Lapham: 10 selected from 2 bedroom waiting list

Holton: 100 selected from 1 bedroom waiting list

Becher Court: 125 selected from 1 bedroom waiting list

HACM property managers generally report having a sufficient number of referrals from CVR for ready units. There are 122 PBV applicant referrals sent by CVR to the PBV developments for suitability that are pending a decision from the property. HACM reports that there is a backlog of referrals that have been sent for several sites, due to a lack of staffing capacity to process them.

CVR has raised concerned about the lack of PBV leasing activities to the HACM Executive team as this lull may contribute to HACM being unable to reach 15 SEMAP points for Indicator 13. CVR has projected that a minimum of 30 PBV lease-ups per month are required from July – December 2026 to aide in reaching partial points for this indicator (15) and currently the average PBV lease up per month is approximately 15 families, representing half of the volume needed to support this effort.

HACM reports that this process is being shifted to a centralized compliance process under the oversight of Marquetta Treadway who will have a dedicated team to review referrals, with the goal of improving leasing rates and eliminating open vacancies. HACM also reports that the maintenance department is also going to a centralized process in an effort to streamline maintenance requests and unit turn over processes.

In addition, bi-weekly meetings with Maskani continue to be held regularly, as the staff is stabilizing for the property, progress is being made to complete the move ins.

Moves, Contracts and Leasing Summary:

The Request for Tenancy Approval (RFTA) review process marks the beginning of the Leasing and Contracts intake process and requires significant staff time to correct incomplete or inaccurate submissions. Tracking RFTA activity will help identify opportunities to improve owner compliance through targeted communication and training, reducing processing delays. Common errors with RFTA submissions 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. There is also a trend of residential leases being submitted with inconsistent or missing information such as missing household members, incorrect lease effective dates, and inconsistent utility responsibilities from what was submitted on the RFTA.

There is a present backlog of HAP Contracts and lease corrections that are pending owner corrected documents including:

- 106 HAP Contracts that have been sent to owners for execution but not returned
- 59 residential leases pending corrections
- 43 requests for residential leases that have not been submitted for units that have passed inspection

In addition, ensuring that owner leases align with HAP contract requirements continues to require significant staff follow up. However, the standardized lease request process CVR implemented has improved compliance, with slow improvement of more owners submitting leases that meet program requirements.

Move Activities	May	June	July
Transfer Vouchers Issued	69	60	43
Transfer Move HCV RFTAs Received	73	87	80
PBV RFTAs Received	22	13	9

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	33	67	63	80	82					
New Admissions	19	25	12	10	18	17	20					

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	3	4	3	4	1	15	19					
Port. Outs	6	4	3	5	7	4	8					

Summary: Move and portability activity is currently at a higher level and is anticipated to trend downward seasonally in the winter months when moves are less common.

CVR began absorbing all incoming portability vouchers and established administered vouchers effective July 1, 2026. Thus far, 23 families were absorbed 7/1 while the team continues to process the absorptions now that HACM is no longer in shortfall.

Rent Increases

Rent Increases Pending Completion				
Month Effective Date	RI Requested	Completed	Denied	Pending
January 2026	92	14	3	0
February 2026	106	30	10	0
March 2026	108	75	30	0
April 2026	108	350	173	0
May 2026	142	152	78	0

June 2026	179	141	32	4
July 2026	135	277	91	26

CVR continues to experience efficiencies in processing rent increases with the API process and automations established.

CONTINUED OCCUPANCY

Despite continuing to experience challenges in obtaining required documentation from participating families, CVR continues to make measurable progress in reducing the recertification backlog while maintaining a focus on compliance and participant stability. 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 - July 2026				
PBV/RAD Site	**Recert Workflow Incomplete**	**Additional Documents Required**	**ITT**	**Grand Total**
Becher Court RAD	3	9	11	**23**
Becher Terrace Referral				**0**
Becher Terrace PBV (RCAC)		1	2	**3**
Carver Park RAD	3	3	1	**7**
Cherry Court RAD			26	**26**
Cherry Court PBV			8	**8**
Convent Hill RAD		1	1	**2**
Highland Gardens RAD		2	3	**5**
Holton Terrace RAD	1	10	18	**29**
Lapham Park PBV			6	**6**
Lapham Park RAD	2	5	6	**13**
Maskani Place PBV			5	**5**
McAuley PBV		1		**1**
MLK Apts PBV		2		**2**
Merrill Park RAD	10	9	9	**28**
McKinley School PBV			1	**1**
National Soldiers Homes	1		9	**10**
Olga Village RAD		3	2	**5**
Prairie Apts PBV		1		**1**
Highland Gardens PBV	2	1	2	**5**

Riverwest PBV		1	1	**2**
Surgeons Quarters				**0**
SS RAD 1	3		9	**12**
SS RAD 2			10	**10**
SS PBV			1	**1**
United House PBV			3	**3**
VASH Veterans Manor		3	1	**4**
Victory Manor RAD	1	2	1	**4**
Veterans Manor PBV		2	1	**3**
Westlawn Gardens RAD		7	19	**26**
Westlawn Gardens SS	1	1		**2**
Westlawn PBV	6	16	12	**34**
Westlawn 3 RAD	3	5	1	**9**
Westlawn 4 PBV		9		**9**
Westlawn 4 RAD		2		**2**
Westlawn 5 PBV	5	5	5	**15**
Westlawn 5 RAD			1	**1**
Westlawn 6 RAD	10	15	2	**27**
Westlawn 7 PBV	1	3	1	**5**
Westlawn 7 RAD	4	5	14	**23**
Water Tower PBV		3		**3**
GRAND TOTAL	**56**	**127**	**189**	**375**

We experienced in increase in PBV tenants who have not completed the recert process in July over June numbers. CVR continues to encourage families to come to Wednesday lab days if they need assistance and continue to coordinate with HACM PBV property managers on recertification needs.

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.

HCV/PBV Recert Outcome

Year and Month	Total Due	Completed Early/On Time	Completed Late	End Participation	Port Out	Recert Date Changed - Earlier	Recert Date Changed - Later	Pending Completion
2025								
1	575	-	-	62	11		3	1
2	600	-	-	49	12		1	
3	601	-	-	45	12			1
4	600	-	-	51	13			3
5	604	-	-	46	3		3	2
6	711	40		72	9		5	8
7	569	27	413	71	8		22	15
8	549	63	349	61	12	3	28	10
9	662	39	472	67	9	8	24	27

10	582	57	387	53	6	6	9	32
11	575	67	373	47	2	8	21	26
12	749	176	388	58	5	23	8	40
2026								
1	589	86	340	44	4	15	15	56
2	582	100	329	34	11	25	14	46
3	586	111	302	39	7	28	18	67
4	569	195	213	32	8	22	8	70
5	589	296	144	26	6	18	6	76
6	642	322	122	24	7	29	3	92
Grand Total								571

	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	562	382	321	326	370					

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.

Overview

HACM has maintained its progress in improving the efficiency of the VASH lease-up process from 2025 into 2026. Internal workflows have been streamlined, resulting in faster eligibility determinations and leasing actions. While early-stage improvements are clearly demonstrated, later-stage lease-up activities remain influenced by external factors such as housing availability, landlord participation, and unit readiness. The Veterans Affairs office has given CVR praise on the last several coordination calls on the efficiency of processing the VASH cases despite the external challenges.

HACM continues to make measurable improvements in the VASH leasing process. The VA previously reported that HACM averaged 50 days to issue a VASH voucher after referral, significantly above the statewide average of 17 days, and 76 days from voucher issuance to lease-up, compared to the statewide average of 55 days.

Considering January 2026 – July 2026 referrals:

- The average time from application receipt to voucher issuance remains approximately 10.5 days, reflecting a substantial and sustained improvement from the previously reported 50-day average.
- The average time from voucher issuance to lease-up is now approximately 65 days, a slight increase from 64 days reported through June but still representing an improvement

of approximately 11 days over the VA's previously reported 76-day average. Veterans continue to spend an average of 35 days searching for housing before submitting a Request for Tenancy Approval (RFTA), an improvement from the 40-day average reported last month. The housing search remains the single largest contributor to the overall lease-up timeline.

A total of 14 VASH referrals are currently being tracked. To date:

- 7 veterans (50%) have successfully leased units;
- 6 veterans are actively searching for housing; and
- 1 case is pending inspection.

Operationally, CVR continues to demonstrate strong internal processing performance. Referrals are entered into workflow promptly, eligibility determinations are completed efficiently, vouchers are issued immediately upon eligibility approval, inspection requests are generally initiated within a few days of receiving an RFTA, and HAP contracts are executed promptly once all required documentation has been received.

The primary barrier to faster lease-ups continues to be the availability of suitable housing rather than internal processing. While a small number of cases experienced delays due to inspection failures or unit readiness issues, these were isolated and not indicative of a broader trend.

Trend Summary

- Voucher issuance performance remains significantly improved over the VA's baseline (10.5 days vs. 50 days).
- Lease-up time remains substantially lower than the VA's previously reported average (approximately 65 days vs. 76 days), with only a minimal increase of about one day from the prior reporting period.
- Housing search time improved from approximately 40 days to 35 days, indicating continued progress in reducing the largest component of the lease-up process.

Overall, the data indicates that CVR's internal VASH processing remains efficient, with future improvement efforts best focused on expanding housing opportunities, increasing landlord participation, and reducing the time veterans spend searching for available units.

In the last call with Veterans Affairs, CVR inquired if more Veterans could be referred to HACM. Only one referral was received in July 2026.

HOMEOWNERSHIP

The Homeownership Program currently serves 79 participating families. The program remains closed to new homeowners while existing participants continue to receive program assistance and support.

FAMILY SELF-SUFFICIENCY

As of July 2026, HACM has 61 HCV participants enrolled in the FSS program of the 88 slots available. 3 new participants were enrolled in June, and 4 new participants were enrolled in July. CVR continues to coordinate with the HACM FSS Coordinator to request additional engagement with participants to enroll additional families in the FSS program.

ENFORCEMENT

Program Integrity / Enforcement Activities

The Compliance Department continued to strengthen program integrity, improve operational efficiency, and enhance regulatory compliance throughout July. Key initiatives included improving hearing preparation and quality assurance, implementing a new Infraction Notice process, completing the tenant repayment agreement cleanup project, reducing processing backlogs, and strengthening staff training across several compliance functions.

During the month, staff focused on improving documentation accuracy, increasing communication with participating families and business partners, and resolving outstanding compliance issues before formal enforcement actions became necessary. Operations staff also began participating as hearing observers to promote cross-functional collaboration and improve consistency across departments.

The department completed the tenant repayment agreement cleanup project, resulting in improved account accuracy, the issuance of delinquency notices to non-compliant participants, and the collection of $5,210.15 in outstanding debt. This effort has positioned the department to shift its focus in August to reviewing approximately 2,147 households for potential unreported income and evaluating 316 pending hearing requests to determine the appropriate next steps and ensure timely case resolution.

Efforts also continued to improve the timeliness of Reasonable Accommodation requests, with the department working toward a goal of issuing determinations within 30 days or less. In addition, staff remain focused on improving customer responsiveness by reducing the backlog of HACM service tickets and email inquiries. The department has established a service goal of responding to and, whenever possible, resolving customer inquiries within three business days, improving communication, accountability, and overall customer service.

Letter Type	Total Completed
Vacate Letters - Skipped	13
Eviction Letters	2
Inspection Non-Compliance	15
Terminations from Evictions/Vacates	2

Summary:

The department effectively managed compliance enforcement activities throughout the month. The implementation of the Infraction Notice process has improved early identification of lease violations, including non-payment of rent and unauthorized occupants, allowing staff to intervene sooner while supporting a standardized progressive enforcement process.

Unreported Income/IVT

Tasks	Totals	Comments
Reported	42	
Letters Mailed	4	
Documentation Under Review	0	
Total Accounts to Review	2,147	

Summary: Staff identified 42 potential unreported income cases during the reporting period. Training will continue to reinforce verification procedures, overpayment calculations, repayment agreement development, and referral standards for informal hearings. The review of 2,147 remaining accounts will be a primary departmental focus in August.

PIC Report Analysis

Report	Totals	Comments
Deceased Tenants	15	10 families resolved
Multiple Subsidy	3	Not yet resolved
Unreported Income	0	Awaiting EIV access to add families with unreported income.
Fraud, Bribery, and Other Criminal Activity Case	0	
Zero HAP/High TTP	120	As of 9/1/2026

Summary:

Progress continued in resolving HUD PIC discrepancies. Ten deceased tenant cases were resolved, while Zero HAP and High TTP households continue to be monitored for compliance. Ongoing reconciliation efforts will improve data accuracy and strengthen HUD reporting.

Hearing Activity

Tasks	Totals
Hearing Requests Received	54
ITT Rescinded (Request not warranted)	108
Hearings Scheduled	3
Terminations Overturned by Hearing	4
Final Terminations Processed	12
Hearings Held	3

Summary:

Staff continue reviewing hearing requests to identify opportunities for corrective action before scheduling hearings. The pending hearing inventory decreased by 33 cases from June, demonstrating continued progress in reducing the backlog while ensuring due process requirements are met.

Terminations Detail – Reasons and amounts

Reason	Totals
Missed Inspections	16
Failed to provide documents	74
Fraud / Criminal Activity	3
Unreported Income	4
Zero HAP	14
Vacate without Notice	13

Termination activity was primarily driven by failures to provide required documentation. Staff also continued enforcement activities related to missed inspections, Zero HAP cases, and unreported income to ensure compliance with HUD regulations and agency policies.

REASONABLE ACCOMMODATIONS AND VAWA

Reasonable Accommodations

Tasks	Totals
Received	24
Additional Documents Requested	10
Additional Documents Received	7
Pending Review	24
Approved	9
Denied	16

Summary:

Processing timeliness continues to improve, with older requests prioritized for review. The department remains committed to reducing processing times to 30 days or less while maintaining consistent decision-making and compliance with applicable requirements.

VAWA

Tasks	Totals
Received	3
Tenant Move Request (Pending)	2
Rescind Letters	2
Request Approved	2
Cases Pending	2

Summary:

VAWA requests continued to receive priority review. Structured workflows and ongoing case monitoring have strengthened compliance with federal requirements while ensuring timely assistance for eligible families.

Repayment Agreement

Tasks	Totals	Comments
In Good Standing	20	Participant – 16 families made payments

Delinquent Accounts Paid Off		Participant – 29 Notices were not issued for July Participant – 0
Accounts in Negotiation	0	

Debt Collection Activity

Total Debt Due:	$ 244,339.88
Total Debt Collected	$ 5,210.15

Summary:
A comprehensive review of repayment agreements improved account accuracy and strengthened collection efforts. Debt recovery remains a departmental priority, with continued monitoring, reconciliation, and enforcement expected to improve repayment compliance and reduce outstanding balances.

QUALITY CONTROL AND TRAINING

During July 2026, Quality Control (QC) reviews continued to focus on ensuring compliance with HUD regulations, HACM policy, and internal processing standards. Reviews assessed Annual Recertifications for accuracy in income determinations, subsidy calculations, effective date application, documentation, verification requirements, and overall file integrity.
A primary focus during the reporting period was utilizing Quality Control findings to improve processing consistency through targeted coaching and formal training. These efforts support HACM's goal of improving processing accuracy, reducing recurring Quality Control findings, and strengthening SEMAP Indicator 3 performance. The QC team completed 275 Quality Control reviews during the reporting period.

Key Findings
Quality Control reviews continued to identify recurring issues affecting processing accuracy and compliance, including:

- Documentation deficiencies and incomplete supporting documentation.
- Incorrect effective date application.
- Income and asset calculation discrepancies.
- Insufficient third-party verification documentation.
- Utility Allowance and subsidy calculation errors.
- Incomplete case notes supporting certification actions.
- Historical certification discrepancies requiring corrective action.
- Annual Recertification processing inconsistencies.

Documentation and verification deficiencies remained the leading contributors to QC failures, while historical certification corrections continued to require detailed review and policy interpretation before corrective action could be completed.

Trends Observed
Operational trends identified during July included:

- Documentation and verification deficiencies remain the most common causes of QC failures.
- Historical certification corrections continue to increase file complexity and require additional oversight.
- Effective date application remains an area requiring continued reinforcement.

- Staff continue to perform well on routine certifications, while files involving historical corrections and complex household changes present a higher risk for QC findings.
- Quality Control reviews continue to identify opportunities for targeted coaching and process improvement.

Actions Taken

To address recurring Quality Control findings, the following actions were completed:

- Reviewed recurring QC findings to identify operational trends and compliance risks.
- Provided individualized coaching regarding Quality Control corrections and processing requirements.
- Reinforced documentation standards, verification requirements, subsidy calculations, and effective date application.
- Developed and facilitated the Quality Control Indicator 3 Refresher Training using recurring QC findings to address common processing deficiencies.
- Collaborated with Quality Control reviewers, Continued Occupancy staff, and leadership to improve processing consistency and resolve complex certification issues.
- Continued monitoring Quality Control trends to support future operational improvements and staff development initiatives.
- Managers will begin receiving weekly pass/fail reports in August to actively monitor staff progress and any corrective actions necessary.

Training Detail

Developed and facilitated a comprehensive Quality Control (QC) Indicator 3 Refresher Training on July 14, 2026, for 27 participants representing Continued Occupancy, Leasing & Contracts, Quality Control, supervisors, managers, and HACM leadership. The instructor-led Microsoft Teams session lasted approximately 2 hours and 46 minutes and maintained strong participant engagement throughout the training.

The training focused on improving Annual Recertification processing accuracy by reinforcing:

- HUD verification requirements
- Income and asset verification procedures
- Documentation standards
- Enterprise Income Verification (EIV) follow-up requirements
- Subsidy calculation accuracy
- Common Quality Control findings
- Practical application through case studies and real-world processing scenarios
-

The objective was to strengthen staff knowledge, improve processing consistency, and reduce recurring Quality Control deficiencies by reinforcing established HUD regulations, HACM policy, and CVR operational procedures.

HOTMA Training Development

Continued development of the HOTMA Train-the-Trainer curriculum in preparation for future agency-wide implementation. Training materials developed during July included instructor presentations, case studies, knowledge checks, participant reference materials, and regulatory guidance designed to support consistent implementation of HOTMA income determination requirements.

Summary

Quality Control findings continued to drive targeted coaching, staff development, and operational improvements. The successful implementation of the Quality Control Indicator 3 Refresher Training further supported organizational efforts to improve processing consistency, strengthen compliance with HUD regulations and HACM policy, and advance overall Quality Control performance.

CHECK RUN DISBURSEMENTS AND VMS

HACM VMS – JULY 2026				
	EOM Vouchers June 2026	HAP Totals – June 2026	Prior Month EOM Vouchers	Prior Month HAP Total
July 2026	6,260	4,524,080		
June 2026	6,362	4,627,086	6,279	4,469,934
May 2026	6,392	4,697,946	6,334	4,607,472
April 2026	6,415	4,769,358	6,382	4,718,331
March 2026	6,442	4,829,022	6,424	4,792,584
February 2026	6,493	4,878,766	6,478	4,847,825
January 2026	6,531	4,940,032	6,523	4,927,002
December 2025	6,575	4,975,837	6,575	4,964,207
November 2025	6,611	4,973,539	6,613	4,968,710
October 2025	6,676	5,018,809	6,679	5,016,559
September 2025	6,692	5,037,217	6,695	5,038,056
August 2025	6,743	5,024,255	6,745	5,026,559
July 2025	6,773	5,031,434	6,775	5,033,066
June 2025	6,829	5,045,569	6,830	5,046,675
May 2025	6,886	5,068,738	6,887	5,069,843
April 2025	6,910	5,048,310	6,911	5,049,402
March 2025	6,925	5,047,145	6,925	5,045,852
February 2025	6,950	5,018,464	6,950	5,017,057
January 2025	6,970	5,017,393	6,970	5,015,986

BDO Monthly Activity Summary – June 2026

Bank Reconciliations:

US Bank Account - ********3846 – Section 8 Vouch Program has been reconciled through June 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. We have prepared an entry. Yardi access was granted, and the adjusting entry was made during April's bank rec work.

VMS Reporting and RNP Calculation – HCV & EHV

The June VMS was submitted on 7/21/2026. CVR provided BDO with the most up to date VMS reports out of Yardi for each month from January 2025 through June 2026. PMCs were made in the VMS for each month to agree.

EHV – RNP as of June was calculated to be a positive $456 and is an increase from the negative $43,909 calculated for May 2026. Estimates for July 2026 have the RNP at positive $16,978. This is the result of receiving $84,380 in HAP funding and having estimated HAP expenses of $67,868.

HCV - RNP as of June 2026 was calculated to be positive $790,870 and is an increase from the positive $311,944 reported for May 2026. The main reason for the increase is that $5,106,012 in

HAP funds were received while HAP expenses were $4,627,086. Estimates for July 2026 bring the RNP up to a positive $1,361,828. This is the result of receiving $5,175,467 in HAP funds and having estimated HAP expenses of $4,604,509.

Per the Two-Year Tool, WI002 Housing Authority of the City of Milwaukee's RNP (Restricted Net Position) for the HCV & EHV program differs by increases of $659,042 and $5,441 each month, respectively. (The same difference each month.) This is the result of the HUD 2025 reconciliation amounts being applied to the January 2026 beginning RNP balances. We will update the RNP amounts to agree during the July VMS calculations.

PIC Reporting and Data Quality

During the reporting period, 1,683 transactions were submitted to HUD's Public and Indian Housing Information Center (PIC), with 1,644 accepted on the first submission, resulting in a 97.6% first-pass acceptance rate. This does not include the numerous individual correction transactions submitted to resolve existing PIC errors.

Significant progress continues to be made in reducing the PIC error backlog. Since July 13, the number of transactions requiring correction has decreased from 221 to 147, representing a 33% reduction. Staff have corrected or initiated corrections for all dashboard errors dating back through the end of April, with the exception of 39 recently identified errors from the July 30 report, which are currently being addressed.

The team expects to complete all remaining 2025 and 2026 PIC error corrections by the end of the week. Additionally, 41 overdue annual recertifications are currently reflected on the PIC error dashboard due to rejected submissions. As these corrections are finalized and accepted by HUD, HACM anticipates a corresponding improvement in late recertification performance metrics.

OWNER SERVICES

Property Transfers

Property transfers continue to present a significant workload for the Owner Services/Inspections team. Staff continue working with owners to obtain the necessary documentation and complete transfers as efficiently as possible. Key priorities remain reducing the backlog of property transfers and addressing the remaining backlog of Owner Services emails. Staff continue implementing process improvements, including enhanced tenant education on common inspection deficiencies and dedicated time for email backlog reduction, to improve operational efficiency and customer service.

INSPECTIONS

The overall July NSPIRE fail rate increased to 50%, the highest monthly fail rate since implementation of the NSPIRE inspection standards on October 1, 2025. This follows June's 43% fail rate, which was the lowest recorded under NSPIRE. While the month-to-month increase is notable, several factors may have contributed, including the onboarding of a new inspector, and increased quality oversight provided through on-site coaching by CVR's Vice President of Inspections. Staff will continue monitoring this trend to determine whether it represents a sustained increase or a temporary fluctuation.

Despite the higher fail rate, inspection operations continue to perform at a high level. A third full-time inspector began field work in July, eliminating the need for supplemental inspection staff while maintaining a high inspection completion rate. A total of 1,359 inspections were completed during the month—nearly twice the number of inspections completed during the entire third quarter of 2025, when the program operated with only two inspectors.

The number of units entering abatement remained stable, with 34 new abatements initiated in July, unchanged from June and significantly lower than the 58 abatements initiated in May. HACM also continued implementation of its enhanced abatement enforcement process by issuing 30-day HAP termination notices to owners and tenants whose units remained in abatement for more than 30 days. This process provides participants with a voucher and Request for Tenancy Approval (RFTA) to secure alternate housing while encouraging timely correction of life-threatening and health and safety deficiencies.

Inspection Summaries

Start Date 7/1/2026

End Date 7/31/2026

Results

Result	Quantity	Percent
Fail	678	50.22%
Pass	517	38.30%
No Show	141	10.44%
Vacant	13	0.96%
Uninhabitable	1	0.07%

Series Types

Inspection Series Type	Quantity	Percent
Annual	1000	74.07%
Initial	173	12.81%
Complaint	101	7.48%
Miscellaneous	65	4.81%
Quality Control	11	0.81%

Inspection Types

Inspection Type	Quantity	Percent

Re-inspection	382	28.30%
Emergency Re-inspection	318	23.56%
Annual	306	22.67%
Emergency	176	13.04%
Initial	114	8.44%
Complaint	33	2.44%
Additional Repairs	21	1.56%

Inspectors

Inspector	Quantity	Percent
Mellena Hoppe	1	0.07%
Tony Smith	421	31.19%
Stephen Fendt	9	0.67%
Keeshia Fulsom	512	37.93%
Sherry Greene	407	30.15%

Fail Item Trend – HACM Top 10

Start Date: 7/1/2026
End Date: 7/31/2026

Fail Item	# of Occurrences	% Passed on Re-inspect	% Outstanding
Smoke alarm is not installed where required.	312	61.86%	38.14%
An unprotected outlet is present within six feet of a water source.	216	57.87%	42.13%
Outlet or switch is damaged.	60	40.00%	60.00%
Testing indicates a three-pronged outlet is not properly wired or grounded.	48	25.00%	75.00%
Window component is damaged or missing and the window is not functionally adequate.	47	31.91%	68.09%
Exposed electrical conductor.	43	48.84%	51.16%
Entry door self-closing mechanism is damaged, inoperable, or missing.	40	27.50%	72.50%
Handrail is missing.	31	38.71%	61.29%
Interior wall has a hole that is greater than 2 inches in diameter or there is an accumulation of holes that are cumulatively greater than 6 inches by 6 inches.	30	20.00%	80.00%
Toilet is not secured at the base.	27	40.74%	59.26%

SEMAP Indicator Self-Assessment Scores (January - July 2026)

- **Indicator 1 – Waiting List: 20/20** (Full points)
- **Indicator 2 – Rent Reasonableness: 0/20** (No points)
- **Indicator 3 – Adjusted Income: 15/20** (Partial points)
- **Indicator 4 – Utility Allowance: 5/5** (Full points)
- **Indicator 5 – HQS Quality Control Inspections: 5/5** (Full points)
- **Indicator 6 – HQS Enforcement: 10/10** (Full points)
- **Indicator 7 – Expanding Housing Opportunities: 5/5** (Full points)
- **Indicator 8 – Payment Standards: 5/5** (Full points)
- **Indicator 9 – Annual Reexaminations: 5/10** (Partial points)
- **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: 0/20** (HUD Shortfall status relieved 6/24/2026)
- **Indicator 14 – FSS: 5/10** (Partial points)
- **Indicator 15 – Deconcentration (Bonus): 0/5**

CVR is currently set SEMAP Standard Performer status based on current scores. CVR will continue to monitor these scores throughout the year.

CVR is currently shy of the 98% compliance threshold required to earn the 20 points under SEMAP Indicator 2 (Rent Reasonableness). CVR continues to strengthen quality assurance processes to improve documentation and consistency in rent reasonableness determinations. Ongoing staff training and quality control reviews are being utilized to reinforce compliance with HUD requirements and improve SEMAP performance. In addition, CVR is implementing larger QC samples for this indicator to review more files to ensure compliance. Management will continue monitoring rent reasonableness determinations throughout the year to improve compliance and position HACM to achieve full points under Indicator 2 during the next SEMAP assessment.

HUD removed HACM from funding shortfall status on June 24, 2026, allowing the agency to resume leasing activities. Achieving the full 15 points under SEMAP Indicator 13 requires aggressive but financially sustainable lease-up strategy to maximize voucher utilization while avoiding a return to funding shortfall status in 2027.

Following HUD's approval, CVR immediately implemented several leasing initiatives to increase utilization:

- Pulled 400 families from the Housing Choice Voucher waiting list, with an additional 400 families scheduled for selection in early August.
- Began absorbing administered and incoming portability families effective July 1, 2026, increasing HACM's leased voucher count.
- Continues coordinating with HACM Executive team to convert eligible Emergency Housing Voucher (EHV) participants to regular HCV assistance once the required Administrative Plan amendments are approved following the Resident Advisory Board review and public comment process.
- CVR also continues to work closely with HACM's Project-Based Voucher (PBV) property managers to maximize lease-up opportunities and reduce vacancies. However, unit

readiness, maintenance backlogs, and vacancy turnaround times at certain PBV properties continue to limit leasing activity.

Because these lease-up initiatives began during the second half of 2026, once HUD shortfall status was cleared, their greatest impact on overall leasing utilization is expected to be realized in 2027. While CVR has implemented all available operational strategies to improve leasing performance, achievement of the full SEMAP score will also depend on factors outside of CVR's direct control, including PBV unit readiness and suitability determinations, and the timely implementation of Administrative Plan changes.

Respectfully submitted by: **Tracey Sheffield**
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