

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

**DATE:** December 31,2025

**TO:** Marcelia Nicholson, Chairwoman, County Board of Supervisors

**FROM:** Shakita LaGrant-McClain, Executive Director, DHHS

**SUBJECT:** A report from the Executive Director, Department of Health and Human Services (DHHS), updating the Milwaukee County Board of Supervisors on the initial success of the Landlord Incentives to Foster Tenancy (LIFT) pilot program

**File Type:** Informational Report

**Related Files:** [18-139](#); [23-698](#); [23-1018](#); [24-108](#); [24-268](#); [24-472](#); [24-526](#); [25-414](#)

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### **Background**

In early 2024, the Milwaukee County Board of Supervisors recognized an urgent need to increase landlord participation, improve housing stability, and enhance the competitiveness of Milwaukee County's most vulnerable populations. This is particularly crucial because almost all of the county's rent assistance programs are dedicated to helping individuals and families exit homelessness. This population disproportionately faces numerous barriers to securing their most fundamental need: decent, safe, and affordable housing.

[File 24-108](#) provided evidence of persistent rental housing market barriers, including a 3.9% vacancy rate and steep rent increases that limit access for rent-assisted households - stark and challenging conditions of which have remained largely steadfast since.

As a result of the conveyed need to make our most vulnerable population more competitive in what is continually one of the most demanding rental housing markets for tenants to navigate in the nation, the board adopted [File 24-268](#), allocating \$356,355 in local funding to establish the Landlord Incentives to Foster Tenancy (LIFT) pilot program to:

- Support and incentivize landlords willing to adjust screening criteria
- Provide monetary risk-reduction tools (damage and vacancy loss reimbursement)
- Expand access to rental housing for vulnerable households

The County Board later adopted [File 24-526](#), approving program eligibility criteria and authorizing a fiscal agent contract, enabling full implementation beginning in 2024.

LIFT became Milwaukee County's first formalized risk-mitigation and landlord engagement network, offering:

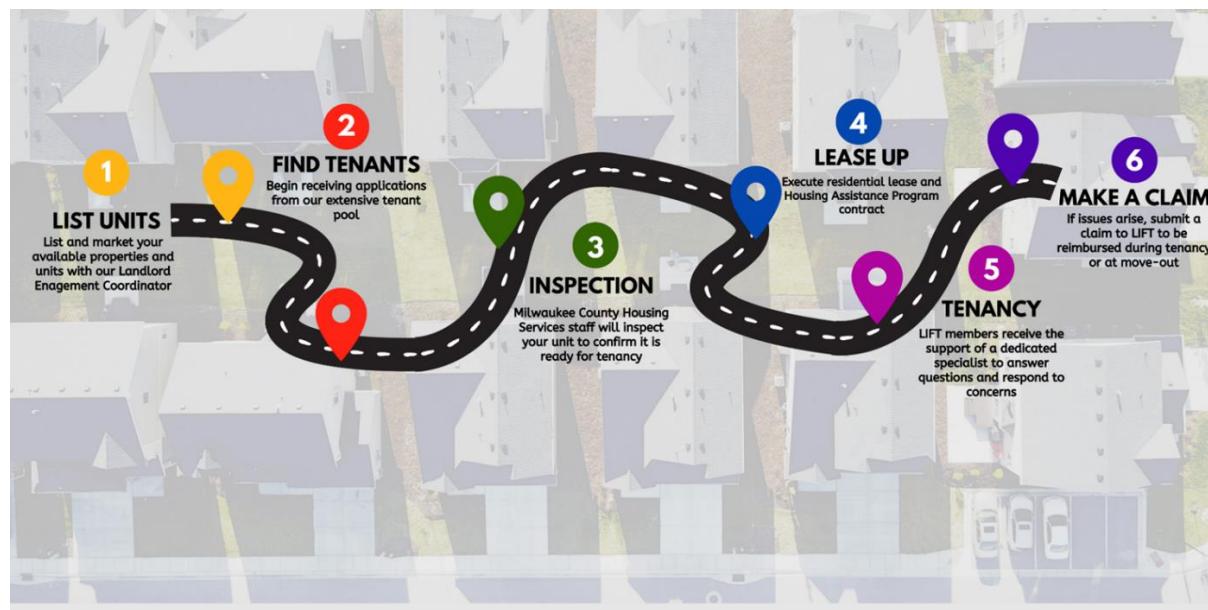
- Damage reimbursement up to *three times the contract rent*
- Vacancy loss reimbursement
- Administrative support
- Tenant wraparound supports

Despite the United States Department of Housing and Urban Development's (HUD's) strong recommendations that Public Housing Authorities (PHAs) implement landlord risk mitigation programs, neither HUD nor any other federal or state entity provides funding for landlord engagement or risk-mitigation programming. Landlords have expressed that they prefer the LIFT program's local funding structure, noting that Milwaukee County maintains full control of implementation, oversight, and continuous improvement. Nonetheless, if State or Federal entities offer grants/funding for landlord engagement and/or risk mitigation programs for damages, Milwaukee County Housing Services will be well-prepared to seek them as a result of pre-existing models with proven success.

## Program Overview

**How LIFT Works:** landlords join through a membership agreement indicating willingness to apply flexible screening criteria. In exchange, they gain access to:

- **Up to 3x contract rent** for verified damages
- **Up to 1x contract rent** for vacancy loss
- Direct access to LIFT staff for coordination, communication, and troubleshooting
- Tenant access to Housing Services navigation and supportive services

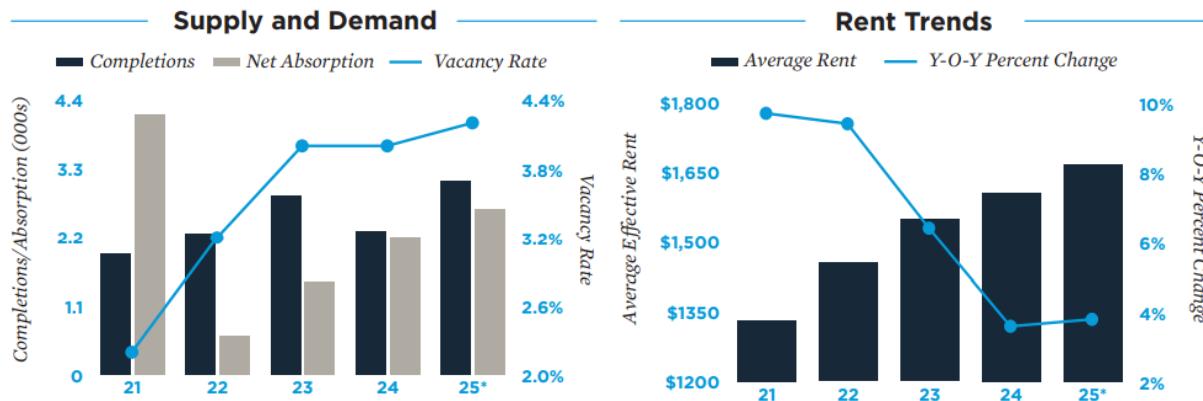


Tenancies are inspected, monitored, and supported by Milwaukee County's Housing Navigation Team, enabling rapid response to issues and stabilizing both the household and the property.

More information is available at [www.LIFTMKE.com](http://www.LIFTMKE.com).

### **The Continued Need for Risk-reduction Incentives in Milwaukee County**

According to [Institutional Property Advisors' 2<sup>nd</sup> quarter market report in 2025](#), despite recent upticks in construction locally, the Milwaukee Metro area's construction volume overall, "remains modest, ranking in the bottom third of major markets for inventory growth over the past six years." The vacancy rate is up to 4.2% in 2025, still below the national rate of 5.1%. As a result of continued, slow growth of housing stock ([& decrease of the average household size](#), creating a, "mismatch"), according to an April 30<sup>th</sup>, 2025 article published by the Wall Street Journal, entitled, "[Milwaukee Is One of America's Most Cutthroat Rental Markets](#)," there are approximately eight applicants for every vacant apartment. The same Institutional Property Advisors' report also provides that the immense, continued demand upon available rental housing means the metro is to, "record the 11th-fastest rent growth rate among major markets."



The attached presentation also highlights persistent regional housing pressures:

- Milwaukee's market remains among the most competitive in the nation, driven by undersupply of units and shrinking household sizes.
- Individuals exiting homelessness continue to face *screening criteria barriers at a disproportionately higher rate*, including credit, rental history, eviction history, and criminal justice backgrounds, among other things.
- Non-housing essential expenses (food, transportation, one-time emergency expenses, etc.) increase faster than income for many rent-assisted households, compounding perceived risk for landlords, *despite Milwaukee County rent assistance ensuring cap on housing costs*.

Risk-mitigation programs are thus essential for PHAs operating in the most competitive rental markets in the country - especially PHAs like Milwaukee County Housing Authority, which proudly maintains a homeless preference and actively uses **all of its** rent assistance to exit individuals and families from homelessness.

LIFT is now an essential element of Milwaukee County's success in maintaining its status as one of [the most consistent, and successful leaders in the nation at addressing unsheltered homelessness.](#)

### **Early Impact of LIFT:**

LIFT's initial performance demonstrates significant progress & outcomes and return on the Board's investment, despite being fiscally conservative.

### **Landlord Participation & Market Penetration**

- Approximately **90 landlords** enrolled as of the drafting of the updated presentation, including small operators and large property management firms.
- Nearly **half of all participating landlords are new to Milwaukee County rent assistance programs**, expanding the rental market accessible to vulnerable residents.

### **Households Benefitting**

- **~296 households** have been offered flexible screening criteria from LIFT-enrolled landlords, substantially increasing housing access.

### **Claims, Fund Usage & Sustainability**

- Only **~10% of total LIFT funds have been expended or obligated**, including 6 open claims. Rate of spend of funds increased significantly after the end of the first lease cycle, as anticipated
- **Average paid claim: \$1,761.85**
- **5.74%** of covered households have a paid or open claim.
- Based on the average claim amount, total exposure is **~\$491,556**, of which **~61% is covered by current cash-on-hand** - a sustainable ratio given the low claim frequency.

Milwaukee County Housing Services continues to monitor frequency and cost trends to prevent overexposure.

### **Screening Criteria Flexibility (as of 12/05/2025)**

- Lack of rental history – **66.7%**
- Poor credit – **66.7%**
- Eviction history – **56%**
- Waived application/admin fees – **52%**
- Misdemeanors – **50.7%**
- Felonies – **33.3%**

This data confirms that LIFT is achieving its core purpose - expanding screening flexibilities to include higher-barrier households.

Milwaukee County Housing Services has often, “sold” the need for flexibilities with lack of rental history, poor credit, and eviction history, as these are the most prevalent and challenging screening criteria barriers among those exiting homelessness.

2 of the 3 new affordable housing developments recently opened or coming online using Milwaukee County Housing Authority’s Project-Based Vouchers (PBVs) have also used LIFT to provide added protection for damages and vacancy loss. These developments applied flexible screening criteria for Milwaukee County rent assistance households, enabling people exiting homelessness, with higher screening barriers to housing, to move into newly constructed, high-quality affordable housing units supported by Milwaukee County’s development and operating subsidies.

LIFT is now recognized by most developers and investors partnering with Milwaukee County as an effective risk-stabilization tool, complementing PBVs, tenant-based rent assistance, Eviction Prevention Program financial assistance, and supportive services. This integration strengthens financial feasibility, reduces investor risk concerns, and expands access to deeply affordable units.

### **Alignment with Strategic Plan**

#### **2A: Determine what, where, and how we deliver services to advance health equity**

LIFT directly advances housing stability - one of the strongest social determinants of health - by expanding access for individuals and families exiting homelessness, our most vulnerable population. More stable tenancies reduce crises, improve health outcomes, and create equitable access to housing opportunities across Milwaukee County.

#### **2B: Break down silos across County government to maximize access to and quality of services offered**

LIFT integrates:

- Housing Services

- Supportive services
- Rent assistance administration
- Landlord engagement
- Development and underwriting teams

This cross-departmental coordination, unique among PHAs, maximizes County resources and delivers a unified, streamlined experience for landlords and tenants.

## **2C: Apply a racial equity lens to all decisions**

LIFT disproportionately benefits households headed by people of color - groups overrepresented among those experiencing homelessness or being denied rental housing due to legal screening criteria. Reducing barriers and expanding access to higher-quality units directly addresses racial disparities in housing stability.

## **3A: Invest “upstream” to address root causes of health disparities**

By reducing housing application denials & increasing housing administration efficiencies, preventing evictions & money owed to housing providers, and connecting our most vulnerable residents & constituents with permanent housing via the highest quality rent assistance more quickly, LIFT reduces downstream costs in avoiding forced moves & largely uncollectable money judgments, and the time of which individuals and families experience the **trauma** of homelessness.

## **3B: Enhance the County’s fiscal health and sustainability**

LIFT is a highly impactful, yet **fiscally conservative model**:

- Claims occur infrequently.
- Local control ensures efficient oversight.
- The program leverages federal rent assistance and private housing supply without imposing ongoing, unfunded mandates.

This results in a strong return on investment for County tax levy dollars.

## **3C: Dismantle barriers to diverse and inclusive communities**

LIFT expands access to suburban and urban housing options by incentivizing landlords to house populations historically excluded from rental markets, thereby increasing community diversity and inclusion.

## **Conclusion**

The early success of the LIFT pilot program demonstrates that local investment, flexible design, and partnership with landlords can substantially expand housing opportunities for households with high barriers. LIFT has grown landlord participation and satisfaction, attracted providers new to Milwaukee County rent assistance programs altogether, strengthened development feasibility and stability, expanded higher quality rental housing options for Milwaukee County's most vulnerable population, and increased the housing stability of individuals and families able to transition out of homelessness with Milwaukee County rent assistance.

Milwaukee County Housing Services will continue expanding outreach, and monitoring fund sustainability. Landlords are strongly encouraged to enroll in LIFT and support the County's mission to make homelessness rare, brief, and non-recurring, all while reducing their risk of financial loss substantially.

## **FISCAL EFFECT**

This report is informational and there is no fiscal effect.

## **VIRTUAL MEETING INVITES**

James Mathy, Housing Administrator

Connor Goggans, Senior Real Estate Project Manager

Alexi Millard, Housing Navigation Supervisor

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## **APPROVED BY:**

Shakita LaGrant-McClain

Shakita LaGrant-McClain, Executive Director, DHHS

## **ATTACHMENTS:**

"LIFT Follow-up Presentation - MCB - Jan 2026"

cc: County Executive David Crowley

Sup. Shawn Rolland, Chair, Committee on Health Equity, Human Needs, and Strategic Planning

Sup. Willie Johnson Jr., Chair, Finance Committee

Mary Jo Meyers, Chief of Staff, County Executive's Office

Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors

Janelle M. Jensen, Legislative Services Division Manager, Office of the County

Steve Cady, Research and Policy Director, Comptroller's Office