

A report from the Executive Director, Department of Health and Human Services (DHHS), requesting authority to establish an interest-bearing escrow account on behalf of Family Self Sufficiency (FSS) participants as part of the Housing Choice Voucher Program, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the Department of Health and Human Services (DHHS), through its Housing Services, DHHS, and Milwaukee County (the County) Housing Authority, administers the Housing Choice Voucher (HCV) Program for eligible low-income households across the County; and

WHEREAS, the Family Self-Sufficiency (FSS) Program is a Federally authorized initiative, under the United States Department of Housing and Urban Development (HUD), that enables HCV Program households to increase their earned income and achieve economic self-sufficiency; and

WHEREAS, a core component of the FSS Program is the establishment of an interest-bearing escrow account on behalf of each participating family into which the Public Housing Authority deposits an amount equal to the increases in a family's share of rent resulting from higher earned income; and

WHEREAS, upon successful completion of the FSS Program and achievement of self-sufficiency goals, the family becomes eligible to receive the full balance of the escrow account, including interest, which may be used for homeownership, education, job training, transportation, entrepreneurship, or other self-directed, eligible investments that support long-term stability; and

WHEREAS, in accordance with Title 24 of the Code of Federal Regulations (CFR), Housing Services, DHHS, intends to hold and administer escrow accounts on behalf of FSS Program participants; and

WHEREAS, launching the FSS Program and establishing the escrow account will allow the County to expand its use of vouchers for homeownership, reward work through savings-based incentives, strengthen the County's performance under HUD's Section Eight Management Assessment Program, and proactively support families who may face future limitations on subsidy eligibility; and

41 WHEREAS, the FSS Program supports the County's strategic plan goals,
42 including investing upstream in root causes of health disparities, advancing racial and
43 economic equity, strengthening cross-departmental collaboration, and dismantling
44 barriers to inclusive communities; and

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46 WHEREAS, the Committee on Health Equity, Human Needs, and Strategic
47 Planning, at its meeting of September 4, 2025, recommended adoption of
48 File No. 25-584 (vote 5-0); and

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50 WHEREAS, the Committee on Finance, at its meeting of September 11, 2025,
51 recommended adoption of File No. 25-584 (vote 4-0); now, therefore,

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53 BE IT RESOLVED, the Milwaukee County Board of Supervisors (County Board)
54 hereby authorizes the Department of Health and Human Services (DHHS) to establish
55 and maintain a Family Self-Sufficiency (FSS) escrow account, in compliance with all
56 United States Department of Housing and Urban Development (HUD) regulations and
57 Milwaukee County (the County) fiscal policies, for the benefit of participating Housing
58 Choice Voucher (HCV) households; and

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60 BE IT FURTHER RESOLVED, the FSS escrow account shall be opened in
61 coordination with the Offices of the Treasurer and the Comptroller, maintained in trust,
62 segregated from other County funds, and administered in a manner that ensures
63 appropriate internal controls, accounting, and audit readiness; and

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65 BE IT FURTHER RESOLVED, all escrow deposits and disbursements shall
66 comply with Title 24, Code of Federal Regulation, Part 984, and any applicable HUD
67 guidelines, and shall be funded exclusively through HUD-authorized housing assistance
68 payments or participant rent contributions, with no use of County tax levy dollars; and

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70 BE IT FURTHER RESOLVED, interest earned on the FSS escrow account shall
71 be credited to individual participant balances, as required by HUD, and Housing
72 Services, DHHS, shall prepare written internal procedures to ensure the implementation
73 of accurate tracking and timely disbursement upon participant graduation or eligible
74 interim request; and

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76 BE IT FURTHER RESOLVED, DHHS is authorized to take all necessary
77 administrative steps to implement the FSS Program, including submission of a
78 HUD-compliant FSS Action Plan and updates to the HCV Administrative Plan, in
79 coordination with County fiscal and legal departments; and

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81 BE IT FURTHER RESOLVED, DHHS shall provide a status report to the
82 County Board within one year of the program launch, which will include the number of
83 FSS participants, escrow activity, participant outcomes, and any recommendations for
84 scaling or improving the program.

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