

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: May 21, 2026

To: Marcelia Nicholson-Bovell, Chairwoman, Milwaukee County Board of Supervisors

From: Shakita LaGrant McClain, Executive Director, DHHS

Subject: Report from the Executive Director, Department of Health and Human Services (DHHS), requesting authorization reallocate \$2.5 million in HOME funds to increase Tenant Based Rental Assistance (TBRA) for homeless individuals

File Type: Action Report

REQUEST

The Executive Director of the Department of Health and Human Services (DHHS) is requesting approval to reallocate \$2.5 million in HOME funds to increase Tenant Based Rental Assistance (TBRA) for homeless individuals

BACKGROUND

The HOME program originated from the National Affordable Housing Act of 1990 and is a spin-off of the Community Development Block Grant (CDBG) program to address housing needs only. Milwaukee County, as a designated Urban County, is part of a HOME Consortia with West Allis and Wauwatosa.

Rental assistance remains the most effective tool for Milwaukee County to continue its success in reducing homelessness. This holistic strategy has allowed Milwaukee County to have the lowest unsheltered homeless count in the country. This has been accomplished through assistance from the HOME Program, local Milwaukee County tax levy, and mainly through the provision of Housing Choice Vouchers through the Milwaukee County Housing Authority.

Funds for rental assistance have been increasingly difficult to set aside for the purpose of reducing homelessness. Due to the dramatic rise in rents, Milwaukee County has been unable to issue new vouchers in 2026 as the program has met its budget cap. This has been a burden to the homeless system as the County's housing authority has been the main source of permanent housing for the system.

Milwaukee County annually allocates funds from its Federal HOME Program but it is not enough to keep up with the demand of the system. The County Board authorized a previous allocation of approximately \$600,000 for 2026.

By authorizing this reallocation, Milwaukee County would be able to continue its current work of housing unsheltered individuals by placing them directly into permanent housing with supports. This continues the County's successful Housing First model that has led to dramatic reductions in homelessness in Milwaukee. Through the TBRA Program, Milwaukee County can fund security deposits and up to two years of rental assistance for those that meet the Federal definition of homelessness. All housing units are inspected by Housing Services staff prior to the tenants moving in to ensure housing quality standards are met. Housing Navigators work with the Landlord Engagement Coordinator to quickly identify available units with input from participants on neighborhood and unit preference.

The TBRA Program is a scattered-site model in which individuals can live anywhere in Milwaukee County if rents are reasonable and are within Federal HUD guidelines. Housing Services has implemented a "Move On" strategy to ensure that, when individuals exit the TRBA program, they can either pay their own rent as they become more independent or transition to a different rental subsidy, especially for those with disabling conditions.

To sustain the Milwaukee community's success in reducing homelessness, it is imperative that rental assistance funds from outside Milwaukee County be identified once the County's TBRA funds are exhausted, most likely in 2028. Housing Services has discussed this issue with local foundations, healthcare organizations, and the City of Milwaukee. Stakeholders are recognizing that housing is one of the main social determinates of health and the County's work is showing a large return on investment for stakeholders when investing in rental assistance linked with supportive services. The County's Housing First Initiative continues to reduce criminal justice costs and has shown an even greater impact in reducing expensive emergency healthcare costs.

TBRA funds would be reallocated from a previously awarded project that at this time is not moving forward due to the current challenging landscape for affordable housing projects. In 2024, the County Board authorized an award of HOME funds for the Canal Transit Loft Project in South Milwaukee. The agreement between South Milwaukee and the development team expired on March 31, 2026. If the project moves forward in the future, Milwaukee County could look at a future allocation of HOME funds.

ALIGNMENT TO STRATEGIC PLAN

This action item aligns with strategic plan objectives 2A (Determine what, where, and how we deliver services to advance health equity and 3A (Invest "upstream to address root causes of health disparities).

FISCAL EFFECT

There is no fiscal impact on Milwaukee County as this recommendation is a reallocation of existing Federal funds. A fiscal note form is attached.

TERMS

The reallocation would be in effect upon County Board approval.

VIRTUAL MEETING INVITES

James Mathy, Housing Administrator
Diane Tsounis, HOME and CDBG Program Manager

PREPARED BY:

James Mathy, Housing Administrator, Department of Health and Human Services

APPROVED BY:

Shakita LaGrant-McClain
Shakita LaGrant-McClain, Executive Director, Department of Health and Human Services

ATTACHMENTS:

Resolution and fiscal note are attached.

cc: County Executive David Crowley
Sup. Sky Z. Capriolo, Chair, Committee on Community, Environment and Economic
Development
Liz Sumner, Comptroller, Office of the Comptroller
Mary Jo Meyers, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Nicholas Sinram, Director, Office of Strategy, Budget, and Performance
Steve Cady, Research and Policy Director, Office of the Comptroller
Madeline Fruehe, Budget and Management Analyst, SBP