

An aerial photograph of Milwaukee, Wisconsin, showing a mix of urban architecture. In the background, the city skyline features several prominent skyscrapers, including the Bank of America Tower and the US Bank Tower. The middle ground is filled with a dense residential area consisting of multi-story apartment buildings and townhouses. In the foreground, there are more residential buildings, including a large, ornate, multi-story house with a red roof and white trim. The sky is overcast with grey clouds, and the overall lighting is soft, suggesting an overcast day.

City of Milwaukee

Year 2026 Proposed Funding Allocation Plan



City of Milwaukee Community Development Grants Administration

Year 2026 Proposed Funding Allocation Plan (FAP)



NOTICE OF POSSIBLE FUNDING REDUCTION

★ This disclaimer serves as notice to all recipients of funding awarded under the
City of Milwaukee- Community Development Grants Administration (CDGA).

Should availability of federal funds:

Community Development Block Grant (CDBG),
HOME Investment Partnerships,
Emergency Solutions Grants (ESG) Program,
Housing Opportunities for Persons with AIDS (HOPWA),

be reduced or eliminated, the City of Milwaukee's Community and Economic Development Committee can modify, reduce, or eliminate either the Grantee's and/or Sub-grantee's award compensation or the Grantee's and/or Sub-grantee's program year or both. In the event of such a modification or reduction the Grantee and/or Sub-grantee shall be notified in advance of the pending Community and Economic Development Committee meeting where such action shall take place.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant program was established by Congress in 1974 with the passage of the Housing and Community Development Act. This program provides funds to municipalities and other units of government around the country to develop viable urban communities. This is accomplished by providing affordable, decent housing, a suitable living environment and by expanding economic opportunities principally for low and moderate income persons. Local units of government develop their own programs and funding priorities, however all activities must be consistent with one or more of the following HUD national objectives:

- Principally benefits low/moderate income persons
- Prevents or eliminates slum or blight
- Addresses an urgent need or problem in the community (e.g., natural disaster)

As a Participating Jurisdiction (PJ) and entitlement community, the City of Milwaukee-Community Development Grants Administration (CDGA), receives annual funding allocations from the Federal government to fund activities to address these National Objectives.

As a recipient of these funds, the City of Milwaukee is required to submit to HUD an annual Funding Allocation Plan that describes how the City will utilize Federal funds to address the national objectives in a manner that will produce the greatest measurable impact on our community.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The statutes for the Federal formula grant programs set forth three basic goals against which the plan and the City's performance under the plan will be evaluated by HUD. The City must state how it will pursue these goals for all community development programs.

HUD statutory program goals are:

DECENT HOUSING - which includes:

- Assisting homeless persons obtain affordable housing;
- Assisting persons at risk of becoming homeless;
- Retaining the affordable housing stock;
- Increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- Providing affordable housing that is accessible to job opportunities.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A SUITABLE LIVING ENVIRONMENT - which includes:

- Improving the safety and livability of neighborhoods;
- Eliminating blighting influences and the deterioration of property and facilities;
- Reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;
- Restoring and preserving properties of special historic, architectural, or aesthetic value; and
- Conserving energy resources and use of renewable energy sources.

EXPANDED ECONOMIC OPPORTUNITIES- which includes:

- Job creation and retention;
- Establishment, stabilization and expansion of small businesses (including micro-businesses);
- The provision of public services concerned with employment;
- The provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- Access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- Empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Long-term outcomes linked to these goals are:

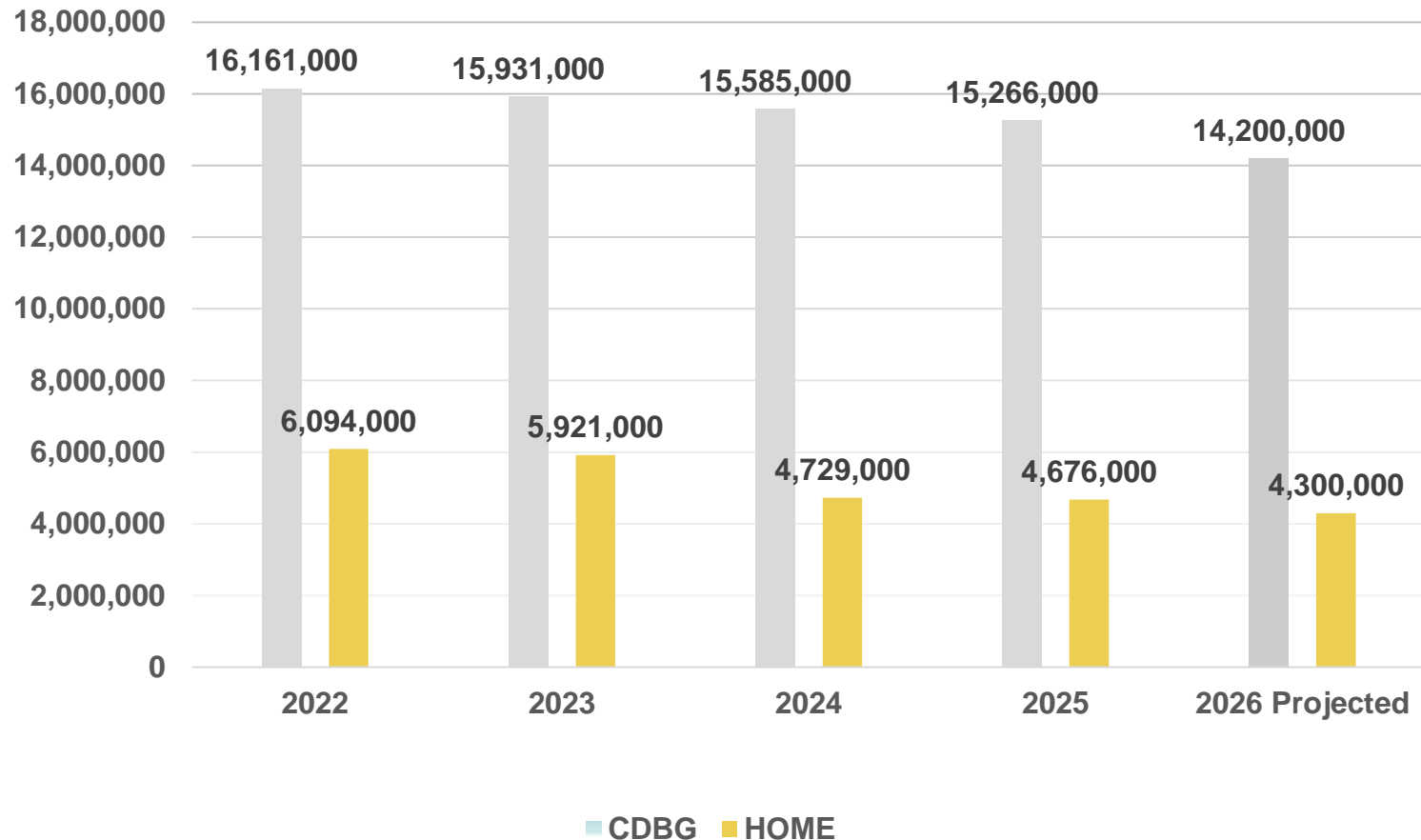
- **Availability/Accessibility** – This outcome relates to programs that make services, housing, infrastructure, public services, or shelter accessible or available to low or moderate income persons, include those with special needs and/or disabilities.
- **Affordability** – This outcome relates to programs that provide affordability to low or moderate income persons and can include affordable housing.
- **Sustainability** – This outcome relates to programs that improve communities and promote viability such as job training, job creation or other services that sustain communities.

2026 Proposed Federal Entitlement Allocation

Community Development Block Grant (CDBG)	\$ 14,200,000
HOME Investment Partnership (HOME)	\$ 4,300,000
Emergency Solutions Grants (ESG) Program	\$ 1,350,000
Housing Opportunities for People with AIDS (HOPWA)	\$ 1,400,000
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Total	\$ 21,250,000

2026 Proposed City of Milwaukee Block Grant Entitlement Allocation

FUNDING TRENDS



HUD OBJECTIVES & OUTCOMES FOR 2026 Proposed Neighborhood Initiatives

HUD Objective: Create Suitable HUD Outcome: Sustainability Living Environment

- Community Organizing/Crime Prevention/NSP
- Community Partnership Unit
- Driver's License Recovery/Employment Project
- Homeless Shelters
- Continuum of Care Planning (Lead Agency Oversight)
- Landlord/Tenant Compliance Program
- Youth Services
- Housing and Services for Persons with AIDS
- Earn & Learn Program
- Code Enforcement Program

HUD Objective: Provide Decent Affordable Housing HUD Outcome: Affordability

- Affordable Housing Production (includes CHDO)
- Neighborhood Improvement Program (NIP)
- Owner-Occupied Home Rehab Loan Program
- Tenant-Based Rental Assistance
- Homebuyer Counseling/Post Purchase Education
- Housing Accessibility Program
- Lead Paint Abatement
- Fair Housing Enforcement/Equal Rights Commission
- Environmental Planning & Review

HUD Objective: Create Economic Opportunities HUD Outcome: Sustainability

- Employment Services
- (Job Training & Placement/Job Placement)
- Special Economic Development –
- Assistance for Businesses
- Milwaukee Builds Program
- Summer Youth Internship Program
- Commercial Revitalization
- Transitional Jobs
- Youth Builds Program

2026 Proposed Community Based Organizations Initiatives

- **Community Organizing (NSP Areas 1-19)**
- **Community Partnership Unit**
- **Community Partners**
- **Employment Services**
- **Employment Services-Earn & Learn Program**
- **Economic Development**
- **Fair Housing Enforcement/Eviction Prevention**
- **Youth Services: General**

- **Homebuyer Counseling**
- **Technical Assistance for CBOs**
- **Homeless Shelters**
- **Housing Accessibility Program**
- **Housing: Neighborhood Improvement Program**
- **Affordable Housing Production (includes CHDO)**
- **Milwaukee Builds Program**
- **Housing Opportunities for Persons with AIDS***
- **Driver's Licenses Recovery/Employment Project**

* REQUEST FOR PROPOSAL (RFP) RECOMMENDED

2026 Proposed Entitlement Allocations & Activities

Public Service Funding

Public Service Funds support activities that increase job growth, expanding educational opportunities, and fostering healthier families.

Only 15% of CDBG funding may be used toward Public Service activity which, on average, is roughly \$2.2 million per year.

Services in this category can include (but are not limited to):

- youth services*,
- education & training*,
- employment services*,
- homeless prevention (rent and deposit payments),
- Homebuyer counseling*,
- legal services,
- community organizing/crime prevention*,
- emergency shelter,

***In order to qualify for these funds, a 501(c)(3) organization must be certified as a Community Based Development Organization (CBDO). More details on this process can be found in the CBDO Manual**

2026 Proposed CDBG Entitlement Allocation

➤ Public Service	\$	4,612,000
➤ Planning	\$	160,000
➤ Economic Development	\$	387,500
➤ Capacity Building	\$	150,000
➤ Housing	\$	1,475,850
2026 Proposed CDBG Entitlement Allocation	\$	6,785,350
Mandated Administration (Financial & Programmatic Oversight & Accountability)	\$	1,768,000
Proposed City CDBG Activities	\$	5,646,650
Total	\$	14,200,000

2026 Proposed CDBG Entitlement Allocation (By Category)

I. Public Service

Community Organizing

➤ Neighborhood Strategic Planning	\$	950,000
➤ Community Partners Initiative	\$	150,000
➤ Community Partnership Unit	\$	258,000

Public Service - General

➤ Youth Services: General	\$	860,000
➤ Driver's Licenses Recovery/Employment	\$	150,000
➤ Employment Services	\$	344,000
➤ Employment Services - Earn & Learn	\$	200,000

Homebuyer Counseling \$ 400,000

Homeless Shelters \$ 1,300,000

Public Service Total \$ 4,612,000

2026 Proposed CDBG Entitlement Allocation (By Category)

II. Planning

➤ Fair Housing Enforcement/Education/Predatory Lending	\$	160,000
➤ Eviction Prevention		
Planning Total	\$	160,000

III. Economic Development

➤ Special Economic Development	\$	387,500
ED Total	\$	387,500

IV. Capacity Building

➤ Technical Assistance to CBO's	\$	150,000
Capacity Total	\$	150,000

2026 Proposed CDBG Entitlement Allocation (By Category)

V. Housing

Housing Accessibility Program	\$	45,000
Neighborhood Improvement Program	\$	680,850
Milwaukee Builds Program	\$	600,000
Youth Builds	\$	150,000
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Housing Total	\$	1,475,850

2026 Proposed City CDBG Activities

Mandated City Departments	Activity	2026 Proposed Allocation	
Community Development Grants Administration	Administration	\$	1,120,000
Community Development Grants Administration	Continuum of Care Planning	\$	30,000
Comptrollers Office	Administration	\$	500,000
Department of Administration - OEI	Equal Rights Commission	\$	90,000
Department of City Development	Environmental Planning & Review	\$	28,000
		\$	1,768,000
City Departments			
Department of Administration	Mentor Milwaukee	\$	75,000
Department of Administration - OEI	Section 3 Compliance	\$	150,000
		\$	225,000
Department of City Development	Youth Internship Program	\$	276,000
Department of City Development	Administration	\$	190,000
	Owner-Occupied Home Rehab		
Department of City Development	Loan Program	\$	398,000
Department of City Development	Commercial Revitalization	\$	127,000
		\$	991,000

2026 Proposed City CDBG Activities

City Departments	Activity	2026 Proposed Allocation
Department of Neighborhood Services	Landlord/Tenant Compliance Program	\$ 100,000
Department of Neighborhood Services	Code Enforcement Inspectors Targeted Enforcement	\$ 1,275,000
Department of Neighborhood Services	Code Enforcement - Housing/Lead Abatement	\$ 1,065,650
		\$ 2,440,650
Health Department	In-House Lead-Based Paint Prevention/Abatement	\$ 690,000
Health Department	Lead-Based Paint Prevention/Abatement Project	\$ 1,300,000
		\$ 1,990,000
	Total 2026 Proposed Allocations for City Departments	\$ 7,414,650

2026 Proposed City HOME Entitlement Allocation

I. Housing

➤ Neighborhood Improvement Program	\$	1,886,500
➤ CHDO Affordable Housing Production	\$	1,232,700
➤ CHDO Operating Cost	\$	205,000
➤ Youth Builds Program	\$	<u>100,000</u>
	\$	3,424,200

Proposed City HOME Allocation	\$	<u>875,800</u>
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2026 Proposed HOME Entitlement Allocation	\$	4,300,000
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2026 Proposed City HOME Activities

City Departments	Activity	2026 Proposed Allocation
Community Development Grants Administration	Administration	\$ 330,325
Comptroller's Office	Administration	\$ 97,000
Department of City Development	Owner-Occupied Home Rehab Loan Program	\$ 448,475
		\$ 875,800
	Total 2026 Proposed HOME Allocations for City Departments	\$ 875,800

Program Descriptions

Program Descriptions – City Departments (CDBG Funds)

Community Development Grants Administration

- **Administration – Oversight and administration of all grant funded programs.**
- **Continuum of Care Planning - Oversight and planning for the Continuum of Care grant in the role as lead agency for the grant.**

Comptroller's Office

- **Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, fiscal site reviews of funded agencies and more.**

RACM

- **Environmental Planning & Review - This is a HUD mandated activity that provides full environmental reviews of new and continuing projects. This project partially supports the salary of an environmental engineer who conducts National Environmental Policy Act (NEPA) compliance review for all HUD-funded activities undertaken by the City of Milwaukee and community partners.**

Dept. of Administration

- **Equal Rights Commission - The goals are to maintain the City's oversight, investigative and enforcement capabilities over discriminatory practices not addressed and protected by federal and state laws. The following are the broad functional responsibilities of the ERC: Oversight/Accountability; Community Collaboration and Partnerships; Prevention, Education, and Training.**

Program Descriptions – City Departments (CDBG Funds)

Dept. of Administration-Office of Small Business Development

- **Emerging Business Enterprise Program - The Office of Small Business Development (OSBD) is a multi-faceted direct service provider that establishes internal and external relationships to increase the economic development, capacity and sustainability of the small business community and city of Milwaukee. The program provides contracting opportunities in commodity procurement, construction, service orders and professional services for small and emerging businesses.**

Dept. of City Development

- **Youth Internship Program - The program provides high school juniors and seniors a variety of internship positions throughout City departments. Interns work 20 hours per week over eight weeks and receive mentoring and hands-on experience.**
- **Administration - DCD administers several CDBG and HOME funded programs and provides administration and oversight of grant funded programs.**
- **Owner-Occupied Home Rehab Loan Program - The program provides low interest loans ranging from 0-3% and technical assistance to owner-occupants of one to four unit residential properties in need of repair. The priority is to address code violations and fund energy conservation improvements.**
- **Commercial Revitalization – This program markets and administers programs that offer financial support to business owners and working with Business Improvement Districts to support their efforts in maintaining the commercial corridor and connecting the disposition of tax-foreclosed commercial properties to commercial revitalization activities.**

Program Descriptions – City Departments (CDBG Funds)

Dept. of Neighborhood Services

- **Landlord/Tenant Compliance Program-** This program ensures that identified code violations on rental properties are addressed by allowing renters living in units with expired code repair orders to pay rent into a city-held account until repairs are made. The program provides renters with emergency relocation from condemned properties and emergency shelter when necessary. Rental proceeds may be used for repairs related to health, safety and welfare of tenants.
- **Code Enforcement Inspectors/Targeted Enforcement -** The program supports efforts to address designated blighted areas, including enhanced special enforcement activity and landlord training. The program includes an intern component that provides Milwaukee residents with on the job experience and classroom training to increase their ability to attain full-time employment as code enforcement inspectors.
- **Demolition-** Demolition of City owned, tax foreclosed blighted properties for future redevelopment.
- **Code Enforcement – Housing -** This is a collaborative project with community-based agencies receiving grant funding for housing programs. DNS staff conduct required inspections for code violations, screen applications, prepare work and scope estimates, and sign off on completed housing rehabilitation work. This is a mandatory activity that must be conducted to ensure that groups using grant funds for housing projects are in compliance with all grant requirements

Program Descriptions – City Departments (CDBG Funds)

Housing Authority

- **Infrastructure Improvements – Matching funds for the Choice Neighborhoods Grant, funding will be used to construct various public infrastructure projects in and around the Choice Neighborhood target area.**

Health Department

- **Lead-Based Paint Prevention/Abatement - This program provides lead risk assessments, testing of units for lead based paint, and prevention and abatement of lead based paint. The program also works with Federally-funded housing groups to comply with HUD mandatory regulations. Also includes abatement of units involving children with elevated blood lead levels.**

Program Descriptions – City Departments

(HOME Funds)

Community Development Grants Administration

- Administration – Oversight and administration of all grant funded programs.

Comptroller's Office

- Administration - Fiscal oversight of all grant funded programs, including reviewing and approving project budgets, budget amendments, processing of cost reports and payment vouchers, A-133 auditing, all HUD OMB regulatory circulars, preliminary reviews of newly-funded groups, fiscal site reviews of funded agencies and more

Dept. of City Development

- Owner-Occupied Home Rehab Loan Program - The program provides loans and technical assistance to owner-occupants of one to four unit residential properties in need of repair. Loans are very low interest loans, ranging from 0% to 3% interest rates. The priority for program activity is to address code violations and fund energy conservation improvements.
- Rental Rehabilitation Program - Provides forgivable loans for the rehabilitation of residential rental units, of one or more bedrooms, for occupancy by low-moderate income households. Eligible improvements include code and safety items, energy conservation, lead hazard reduction, roofs, siding, electrical, plumbing, heating, kitchen and bathroom updates and more. The property must meet City of Milwaukee code requirements upon completion.

Program Descriptions—Community-Based Agencies (CDBG FUNDS)

Community Organizing/Crime Prevention/NSP

- Programs are a coordinated, pro-active approach to neighborhood stability combining organizing efforts with public enforcement efforts (DNS, Health , Police and City Attorney) as a tool in dealing with crime, neighborhood clean ups, nuisance properties, block club formation and other neighborhood issues.

Community Partners

- Collaborate with the High Intensity Drug Trafficking Area program (HIDTA) on crime reduction and neighborhood improvement activities; door-to-door contacts with residents in high-crime areas; block club creation, community meetings on issues, resources and referrals.

Community Partnership Unit

- Collaborate with the Milwaukee Police Department and the District Attorney's office to abate criminal activity and nuisance properties and nuisance behavior in neighborhoods.

Youth Services

- Social, educational and recreational activities and services for low-moderate income youth safe havens, school-community initiatives, truancy abatement and teen pregnancy prevention.

Driver's License Recovery/Employment Project

- Assist low income persons with driver's license recovery, employment & other supportive services.

Program Descriptions—Community-Based Agencies (CDBG FUNDS)

Employment Services

- **Skilled trades, industry specific job training and placement opportunities boosting employment and living wage jobs for low-moderate income individuals.**

Employment Services/Transitional Jobs

- **This program supplements the collaborative efforts of the City of Milwaukee to address the disproportionate underemployment of city residents. Individuals employed in the City's Transitional Jobs Program receive the skill training, certification and experience needed to connect with permanent employment. Services are provided to low-income unemployed residents and those aging out of foster care to assist in transitioning into the workforce through subsidized employment.**

Earn & Learn

- **Summer youth employment program in partnership with local business, non-profit, and community- and faith-based organizations. The program assists young people from Milwaukee in making a successful transition from adolescence into adulthood through job skills and work experience.**

Homebuyer Counseling

- **This program provides homebuyer counseling and other activities to facilitate mortgage loan closings for first-time low-income homebuyers. Besides pre-purchase counseling and mortgage loan assistance, non-profit agencies provide budget counseling and assistance with credit repair. Services also include assistance to residents in obtaining home improvement/repair loans, refinancing,, post purchase, tax default and mortgage default counseling. In addition, the homebuyer counselors act as a liaison between homebuyers, lenders and real estate professionals.**

Program Descriptions—Community-Based Agencies (CDBG FUNDS)

Fair Housing Enforcement/Education/Predatory Lending

- **Fair Housing: Public Education** - Public education program that includes presentations on fair housing laws, programs for homeowners on discriminatory homeowner's insurance practices, fair housing training seminars, technical assistance on fair housing compliance.
- **Fair Housing Enforcement** - Through walk-ins & referrals, counseling and testing services are provided for persons alleging violations of fair housing in rental, sale, insurance, financing and home appraisals.
- **Fair Lending** - Advocates for the removal of institutional barriers to private sector investments in Milwaukee neighborhoods. Monitors compliance with lending laws and promotes partnership development activity with financial institutions to reduce the patterns of segregation and to increase minority lending practices in metro Milwaukee.

Special Economic Development/Large Impact Development

- **Community-based agencies** provide technical assistance to businesses to help spur new job creation and job retention. Assistance includes: business plan development, financial accounting, loan underwriting, legal and tax consulting and contract procurement.
- The **Large Impact Development Fund (LID)** is designed to foster new economic development projects in underserved Milwaukee neighborhoods. The goals for eligible LID Projects are the re-use of vacant, blighted property or physical expansion, provide new or increased City tax revenues, and to create jobs. Turning blighted or underused sites into economically productive properties.

Technical Assistance for Community-Based Agencies

- **Provide technical assistance** to community-based organizations to help strengthen their administrative capabilities, board development and organizational strength to promote efficient services to community residents

Program Descriptions—Community-Based Agencies (CDBG FUNDS)

Homeless Shelters

- **Housing and services for homeless individuals and families, victims of domestic violence and troubled youth, including assistance with obtaining appropriate supportive services, permanent housing, transitional housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living.**

Housing Accessibility Program

- **Housing accessibility improvements for income eligible persons with physical, visual and hearing disabilities. Improvements can include handicap accessible ramps, bathroom, kitchen, bedroom and living room modifications and safety enhancements.**

Housing-Neighborhood Improvement Program (NIP)

- **Administered by several community-based housing organizations. Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. NIP clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the housing rehabilitation work and household income must be at or below 60% of county median income.**

Milwaukee Builds Program

- **This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.**

Program Descriptions—Community-Based Agencies (HOME FUNDS)

Housing-Neighborhood Improvement Program (NIP)

- **Forgivable housing rehabilitation loans for repairs based on interior and/or exterior municipal code violations. Clients must be owner-occupants of the property for a minimum of five years before applying for assistance; agree to remain an owner occupant for at least five years following the completion of the work and household income must be at or below 60% of county median income.**

Affordable Housing(Acquire/Rehab/Sell & New Construction (CHDO)

- **Rehabilitate distressed properties in the Target Area focusing on deteriorated, boarded and vacant properties . Electrical, plumbing and heating systems are upgraded or replaced. New doors, windows and related hardware are also replaced if needed. The properties are weatherized and insulated to WE Energies standards and energy efficient furnaces or boilers are installed. At completion, the properties are code compliant and energy efficient and are marketed to income eligible residents.**

Program Descriptions—Community-Based Agencies (HOME FUNDS)

Milwaukee Builds Program

- This program provides on-site housing construction and rehabilitation training and work experience, off-site academic classes and supportive services for at-risk youth and adults. The program provides young people with education, employment skills and career direction leading to economic self-sufficiency while also creating affordable housing opportunities in the community. Non-profit community-based agencies are funded to undertake this program.

Tenant-Based Rental Assistance

- Rental assistance to income eligible applicants transitioning from shelters to permanent housing.