

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: February 8, 2019

TO: Supervisor Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Mary Jo Meyers, Director, Department of Health and Human Services

SUBJECT: **Report from the Director, Department of Health and Human Services, requesting authorization to apply for a grant from the State of Wisconsin to support the planning, design and construction of a Secured Residential Care Center for Children and Youth (SRCCCY) in accordance with Wisconsin Act 185 as well as approve two potential locations for the SRCCCY**

Issue:

Per 56.06(1) of the Milwaukee County Ordinances, County Board approval is required for the submittal of a grant application or acceptance of grant funding if the grant requires a County match.

In September 2018, the County Board sought an opinion from Corporation Counsel as to whether the board also has the authority to approve the location of a Secured Residential Care Center for Children and Youth (SRCCCY). Corporation Counsel opined that if the location is included in the grant application, “the County Board will also have the ability to review and vote upon location.”

Therefore, DHHS is seeking approval from the County Board for the following:

- 1) Approval to apply for a grant in response to Wisconsin Act 185 for the planning and construction of a SRCCCY.**
- 2) Approval to site the new facility at one of the following two locations: 6101 W Mill Rd, Milwaukee 53218 or 6600 N Teutonia Ave, Milwaukee 53209.**

Background

Over the past few years, the County Executive and Milwaukee County Board have been working with key stakeholders to address the crisis at Lincoln Hills and Copper Lake, juvenile correctional facilities operated by the State of Wisconsin, and have embraced policies surrounding the creation of a local alternative option for Milwaukee County youth to be placed in a safe environment, closer to home.

In March 2018, the Wisconsin State Legislature adopted Act 185 paving the way for the development of local alternatives to Lincoln Hills and Copper Lake. Act 185 directs the closure of Lincoln Hills and Copper Lake for use as youth correctional facilities by January 1, 2021 and authorizes County-operated Secured Residential Care Centers for Children and Youth (SRCCCYs). Under Act 185, DOC maintains supervision over juveniles with adult court sentences and youth in the Serious Juvenile Offender Program (SJOP), but the supervision of youth under other correctional placements is now transferred to the counties. The State is required by Act 185 to open type 1 facilities for SJOP youth and is

considering a site on the northwest side of Milwaukee for one of the type 1 facilities.

Under the Act, the State Building Commission can authorize up to a total of \$40 million statewide to counties for the planning and construction of these facilities. To qualify for the funds, counties must submit grant applications to the Juvenile Corrections Grant Committee in DOC by March 31, 2019. The Grant Committee then makes grant recommendations to the State Legislature's Joint Finance Committee no later than July 1, 2019, and presumably, Joint Finance meets shortly thereafter to approve the grant recommendations.

Under Act 185, the grant program covers the following with counties supporting the other 5 percent:

- 95 percent of the design and construction costs of an SRCCCY
- 95 percent of the design and construction costs of a facility housing both an SRCCCY and a youth detention facility
- 100 percent of the design and construction costs of an SRCCCY or a portion of an SRCCCY for female youth only

In November, the Milwaukee County Board adopted File No. 18-633 authorizing the creation of a capital project for the SRCCCY with a budget of \$3 million. This capital project enables DHHS to move forward on the planning and design for a local facility so that Milwaukee County youth can be closer to their families. This capital project is intended to support the initial planning and design as well as cover the 5 percent contribution toward the overall project. In August 2018, Continuum Architects + Planners, S.C. was selected to provide initial planning and design services.

Given the extremely ambitious timetable, the department must move quickly to conduct preliminary facility design work to prepare a grant application. The table below shows target dates set forth in Act 185:

Milestone	Description	Deadline
Grant Application Submittal	Counties prepare proposal identifying design & construction costs of a SRCCCY based on State requirements	March 31, 2019
Submittal to State Joint Finance Committee for Approval	State Grant Committee submits a statewide plan of recommended grant approvals	July 1, 2019
Closure of Lincoln Hills	Transfer of youth to a SRCCCY operated by counties must occur no later than this date	January 1, 2021

Discussion

Over the past several months, a Steering Committee and workgroups have been meeting regularly to address Stakeholder Engagement, Programming and Location as part of the implementation of Act 185. The committee and work groups reflect a stakeholder network of 40 to 50 people who bring subject matter expertise in human services, criminal justice, law enforcement, education, therapeutic

treatment, community advocacy, health and wellness, judiciary practice, systems reform, data analysis, facility design, government and finance.

Concurrent with these efforts, planning for the construction, commissioning, licensing and startup of the new facility is underway, and will require the close coordination and cooperation of all parties to achieve the required timing of January 1, 2021. The construction timetable requires the property transaction to close, and the construction to start, in July of this year, immediately upon receipt of the grant funds from the State.

Siting Process for the SRCCCY

Over 40 potential locations were assessed by the project team consisting of the Department of Administrative Services (DAS) Facilities Management and Economic Development Divisions, DHHS, Cross Management Services, Continuum Architects, and Dewberry Engineers. . The locations were assessed to determine their feasibility based on the following criteria which are divided among three categories – place, technical and people:

PLACE	TECHNICAL	PEOPLE
<ul style="list-style-type: none"> • At least 5 acres • Near public transportation • Proximity to communities where youth live (incl. accessibility via public transportation) • Proximity to community-based resources • Proximity to state's facility (TBD) 	<ul style="list-style-type: none"> • Environmental feasibility • Complexity of acquisition process, zoning • Cost of site development • Cost of operation, maintenance 	<ul style="list-style-type: none"> • Resident and community support • Political support • Business sector support • Public school support

Consequently, a search for appropriate alternate sites was initiated, and feasibility studies for target locations followed. Concept site plans for the two final target locations have been developed. The design team is now transitioning into the Schematic Design phase and is adding design team members as needed to incorporate sustainable design, art and technology into the design process.

After an extensive search, two location alternatives for the new site were identified:

- 6101 W Mill Rd, Milwaukee 53218
- 6600 N Teutonia Ave, Milwaukee 53209

Negotiations with the current owner – the City of Milwaukee – for the purchase and rezoning of either of these two alternatives are in progress. The intent is to enter the City approval process and reach the Common Council by its March 26, 2019 meeting. Subsequent to Common Council approval, a Purchase and Sale Agreement would be finalized with the target to close in July upon receipt of State grant award.

Assessment of Vel R. Phillips Youth and Family Justice Center

The Vel R. Phillips Youth and Family Justice Center was seriously considered and evaluated as part of overall assessment of locations. This site offered several advantages as a location for the SRCCCY as well as disadvantages. Concept plans and cost estimates for an expansion of Vel Phillips to accommodate the SRCCCY were completed in December. Due to certain site constraints, the complexity of this addition is significant, and the cost is estimated to exceed \$45 million. Additionally, the qualitative comparison of Vel Phillips to other locations indicated that locations closer to home for the youth would provide advantages. Items that address the question “How do we best serve the needs of our youth?” are highlighted in blue. For these reasons, Vel Phillips is not being recommended as a potential location for the SRCCCY.

Vel Phillips Assessment

Pros	Cons
Community is familiar with site	Limited ability to do something new or make this feel different to community
Zoning may already be in place/easier	Significant existing site constraints (parking, utilities, site size)
County already owns it / no acquisition cost or timetable	Limited transportation connection
Possible operational synergies	Court environment
Concept of centralized services	Limited ability to modify in future
Well established relationship with Wauwatosa Schools	Cost to remodel existing facility very high
Possible green space for detention	
Possibility to correct building deficiencies	

SRCCCY Capacity Analysis

A key input into the design of the SRCCCY space is the total number of spaces that will be required in the program by 2021. To answer this question, the DHHS team engaged with Annie E. Casey’s juvenile justice experts, including a team from Justice System Partners, to model space needs in the future. The analysis considered the current number of Milwaukee County young people placed at Lincoln Hills, Copper Lake and the Milwaukee County Accountability Program (MCAP).

The experts first used Division of Youth and Family Services (DYFS) historical data going back two to three years to build a baseline assessment, which was based on overall trends and reasonable assumptions about the new SRCCCY program. The team then explored opportunities for policy changes that are aligned with best practices and latest youth research. Based on these two analyses, the team found that approximately 59-64 spaces overall would be needed to support Milwaukee County youth. This total capacity also includes plans to re-purpose MCAP space at Vel Phillips to 22 SRCCCY

spaces. Therefore, the total need for space at a new SRCCCY is estimated at 40 spaces. For further background on the capacity analysis, please see Attachment 2.

Community Outreach

Extensive outreach has occurred and continues with key stakeholders and those representing the areas of the proposed locations. DHHS has engaged these stakeholders several times both in meetings and phone calls to brief them on the project and to seek their input. Both proposed sites are located within Sup. Sequanna Taylor's 2nd Supervisory District. DHHS staff has met with Sup. Taylor in one-on-one meetings and has also briefed Chairman Theodore Lipscomb. Additionally, the Mill Road location is in Ald. Chantia Lewis' 9th Aldermanic District and the Teutonia Avenue location is within Common Council President Ashanti Hamilton's 1st Aldermanic District. DHHS staff has held meetings and phone calls with the two alderpersons. Further, several meetings have been held with Milwaukee Mayor Tom Barrett.

Our goal is to ensure we are engaging cross-sector community partners in a consistent and transparent way. In addition to elected officials, meetings have been completed with a host of community leaders, law enforcement, school officials, neighborhood residents, clergy, business leaders and youth and family service providers. Examples of community engagement activities that have occurred during the proposal development process:

- In late January, DHHS hosted a community conversation at St. Peter Immanuel Lutheran Church and School. About 45 community members attended & eight elected officials along with Sups. Taylor, Supreme Moore Omokunde, and Steve Shea, Children's Court Judge Joseph Donald, Ald. Ashanti Hamilton, Rep. LaKeshia Myers, and Sen. Taylor's Chief of Staff. Members from neighborhood groups such as Safe and Sound attended as well.
- Partnership with Youth Justice Milwaukee (YJM) to host two briefing sessions (an elected official special session and a community briefing with residents, youth and community leaders)
- One-on-one meetings with key stakeholders identified by Steering Committee and other workgroups continue. To date, more than 50 of these individuals have been engaged in one-on-one meetings.
- A website was developed to provide information on ACT 185 and Project RISE as well as an opportunity for community members to submit questions and receive project updates.
- A series of presentations at local collaborative meetings, such as the Community Justice Council (CJC), Mental Health Task Force, etc. have taken place. DHHS staff have been invited by the City of Milwaukee to present at an upcoming neighborhood session at Direct Supply headquarters on the northwest side of Milwaukee. Direct Supply is located close to the Mill Rd. location.
- Kane Communications is under contract to provide public relations support for the duration of 2019.
- Informational meetings will continue throughout February and March, including a special convening of business sector leaders and a Community Conversation near the Fairfield Neighborhood. Notifications will be sent to County Board members with advanced notice.

- DHHS Staff have participated in several interviews with media outlets such as Wisconsin Public Radio (WPR), Neighborhood News Service (NNR), Milwaukee Courier, Milwaukee Journal Sentinel, WNOV Radio programs, etc. The purpose of these segments is to ensure the public is aware of legislation, educated on the County's commitment to Youth Justice Reform, and to invite community members to informational sessions.

Information from these meetings is used to modify talking points to ensure the messages address stakeholder concerns and are more effective at communicating the County's commitment and plans. The feedback will also be incorporated in Program and Facility Design.

SRCCCY Programming Model

The Programming Workgroup is partnering with the Milwaukee Community Justice Council (CJC), Youth Justice Milwaukee, and the Justice Lab at Columbia University for a presentation on the outcomes of New York City's Close to Home project. The presentation is slated for late February and will draw on similarities between New York and Wisconsin's current juvenile corrections crisis, highlighting the successes of Close to Home in establishing a more effective local continuum of care for formerly incarcerated youth.

In addition, a programming logic model has been drafted. Examples of programming components include assessments (psychological, trauma, family cohesion, etc.); a welcoming, safe living environment; integrated treatment model; low youth to staff ratio; and restorative justice circles.

Project Timetable for Act 185

As defined in Act 185, the project timetable is defined by two major milestones:

- Grant application submission by March 31, 2019
- Closure of Lincoln Hills/Copper Lake by January 1, 2021

DHHS has been working diligently over the past six months to achieve this schedule, which is very aggressive considering that the State Emergency Rule defining program and facility requirements was not available until January, and the State guidelines for grant application have not been published as of this writing. Furthermore, the design and construction of a new facility in less than two years is a task that will be very challenging in the current construction economy. Nonetheless, the team is determined to make every reasonable effort to comply with the law and deliver a working program in time to receive youth from Lincoln Hills and Copper Lake. At the very least, this requires that the property purchase transaction close, and construction start, and assumes grant awards are received in July. Close coordination and cooperation of all parties will be required to achieve the required timing of January 2021.

In early January, Facilities Management issued a Request for Proposals (RFP) to identify a construction management firm to assist in the design and construction of the new facility. Responses are being evaluated with the intent to award in early February. The advantage of engaging the Construction Manager early in the project keeps the project on schedule, provides real-time cost and constructability reviews, and drives the project Targeted Business Enterprise/Residency Program Participation

(TBE/RPP) community engagement goals that have been set for this project. The expectation is to be ready for construction by July.

There is concern among several counties that the timetable set forth in Act 185 is unmanageable. As a result, there is a draft bill to amend the timeframe of Wisconsin Act 185 currently being circulated. This bill has not yet been introduced as of this writing. The draft bill would seek to extend the timeframe by six months for each of the milestones. For example, grant applications would not be due until September 30 rather than March 31, 2019. Most importantly, the closure of Lincoln Hills would not occur until July 1, 2021 rather than January 1, 2021.

DHHS is committed to proceeding under the original timeframe. We believe that the closure of Lincoln Hills needs to occur as quickly as possible. Although the construction timeframe is extremely ambitious, we want our kids transitioned out of Lincoln Hills and into a more therapeutic and supportive environment that fosters positive youth development sooner rather than later.

Capital & Operating Estimate

Capital Budget

A preliminary cost estimate for the design and construction of the new facility on either of these two sites plus modifications at Vel Phillips is approximately \$37 million. Preconstruction, real estate and start-up costs of about \$2.5 million would bring this total to \$39.5 million. Please see Attachment 2 for a more detailed cost estimate.

Estimated Project Budget

Pre-Construction & Real Estate Costs	\$0.5M
Construction	\$37M
Start-Up Costs	\$2M
Estimated Costs	\$39.5M

The Grant Committee has not yet convened even though grant applications are due March 31. For this reason, DHHS does not know what types of costs will be covered by the grant nor the level of overall State financial support of the capital costs. As shown in the table above, total estimated costs for Milwaukee County alone reflect the entire budget statewide for the SRCCCYs.

Until a grant award is received, DYFS will not know if the original \$3 million budget allocated to capital project WS124 by the County Board will be sufficient to cover 95 percent of the design and construction costs. To provide additional financial support to the project, DHHS is requesting to transfer up to \$500,000 of its 2018 surplus into the capital project as part of a separate file pending in the March cycle.

Operating Budget

DHHS also analyzed the ongoing operating impact of a new SRCCCY. This budget reflects a high ratio of staff to youth. For example, the staffing plan include five Youth Development Specialist (YDS) positions per one youth on each of the four units. The YDS position is a new classification requiring experience working with youth and would not be considered a “correctional officer.” In total, the facility would require about 80 Full-Time Equivalent (FTE) positions, the majority of which are YDS staff, but also include YDS Supervisors, clinicians and clerical support. Total costs including staffing, medical and mental health services, programming, education, food, administration, and facilities reflect an estimated annual budget of over \$12 million. This estimate is very preliminary and based on the most current information available.

The 2019 DYFS budget allocated nearly \$10 million for Department of Corrections charges for youth who are placed in Lincoln Hills, Copper Lake and Mendota Juvenile Treatment Center (MJTC). By 2021, with the opening of the SRCCCY, most of this \$10 million cost will be eliminated except for MJTC charges for youth in need of mental health services. The State Department of Health Services will continue to operate the MJTC and charge counties for these placements. In comparing to the 2019 Budget, this leaves a gap of \$2 million.

Additional Youth Aids revenue or other outside financial support is needed to address this gap. DHHS has begun discussions with the Wisconsin Counties Association and State legislators urging them to seek increased funding for the ongoing operating costs for the SRCCCY.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, or her designee, to submit a grant application to the State of Wisconsin for the planning and construction of a Secured Residential Care Centers for Children and Youth (SRCCCY). In addition, it is further recommended that the County Board approve the siting of the new facility at one of the following two locations: 6101 W Mill Rd, Milwaukee 53218 or 6600 N Teutonia Ave, Milwaukee 53209.

Once DHHS is notified by the State Legislature’s Joint Committee on Finance of a grant award, DHHS will submit a second request to the County Board seeking approval of the grant award and will make a recommendation for any gap in funding. Even though Ch. 56 of the Milwaukee County Ordinances only requires departments to either request approval for submittal of a grant application or to receive grant funds, DHHS plans to seek both approvals. This will allow DHHS to provide updated financials and funding recommendations for review and approval by the County Board.

Fiscal Impact

Approval of the grant application and two potential locations for the construction of the SRCCCY has no tax levy impact. A fiscal note is attached.



Mary Jo Meyers, Director
Department of Health and Human Services

Attachments:

Attachment 1 - SRCCCY Capacity Recommendation
Attachment 2 Preliminary project total cost estimate

cc: County Executive Chris Abele
Hon. Maxine A. White, Chief Judge
Raisa Koltun, County Executive's Office
County Supervisor James "Luigi" Schmitt
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