

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

**DATE:** September 9, 2019

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

**FROM:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Prepared by: Mark Mertens, Division of Youth & Family Services Administrator*

**SUBJECT: An informational report from the Director, Department of Health and Human Services, providing an update to Wisconsin Act 185**

**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 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 July 1, 2021 and authorizes County-operated Secured Residential Care Centers for Children and Youth (SRCCCYs). Under Act 185, the Wisconsin Department of Corrections (DOC) maintains supervision over youth 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.

In late June 2019, the Legislature passed AB188/SB168 which amended Act 185 and extended the deadline for the closure of Lincoln Hills and Copper Lake from January 1, 2021 to July 1, 2021. The amendments also pushed out the deadline to October 1 by which the Juvenile Corrections Grant Committee must make recommendations and establish a Wisconsin Model of Juvenile Justice Statewide Plan.

The original Act 185 legislation included \$40 million to counties for the planning and construction of SRCCCYs. The 2019-2021 Adopted State Budget increases this allocation by \$40 million for a total of \$80 million in State bonding. Per Act 185, the State is to fund 95 percent of the design and construction of SRCCCYs with counties contributing the remaining 5 percent. Grants are to cover 100 percent of the design and construction of facilities for girls.

Eligible construction costs under Act 185 include new construction as well as the renovation of an existing structure. To qualify for the funds, counties were required to submit a grant application to the Juvenile Corrections Grant Committee by July 1, 2019. The original deadline in Act 185 of March 31, 2019 was amended by the Legislature as part of AB188/SB168.

In order to meet the original March 31 deadline, DHHS submitted an application, approved by the County Board (File No. 19-236), which reflected the construction of a new facility at an estimated cost of \$41 million. It wasn't until mid-June that the DOC released the application for the July 1 submittal. DHHS then revised its application for submittal by the July 1 deadline.

***Revised Grant Proposal***

On July 1, DHHS submitted a revised application it believes will lead to greater youth justice reform. Since the proposal submission on March 1, intensive efforts have been underway to reduce the non-SJO population at Lincoln Hills and Copper Lake Schools. DYFS and Wraparound Milwaukee have collaborated closely to enact case plans that have resulted in an earlier release for some youth. New programs like the Bakari Center and the Youth Advocates Program (YAP) have been successful in preventing some youth from placement in Lincoln Hills. These combined efforts have resulted in the lowest corrections placements in decades for Milwaukee County. By mid-August, the daily census reached its lowest point of 33 non-SJO youth. Attaining these historically low placement numbers has put DYFS two years ahead of our most optimistic projections for reductions in placement numbers. This unprecedented reduction has allowed DHHS to lower our projected need for SRCCCY beds as reflected in the revised plan.

The revised proposal provided for the remodeling of two pods in the county's existing Vel R. Phillips Youth Detention Center to serve as Assessment and Crisis units for boys and renovating and/or converting existing building(s) to serve boys and girls in a community-based SRCCCY site or sites. The proposal also included a significant investment of nearly \$2.9 million for Front-End Diversion and Aftercare Transition programming. Although the State bonding available for SRCCCY projects doesn't support community-based services or any other operating costs, DHHS included this component in its application because Front-End Diversion and Aftercare are necessary in preventing and mitigating the need for secure placements of youth. DHHS believes that reform of the youth justice system cannot be successful without this investment.

***Progress Since July Submittal***

A total of four counties including Milwaukee County submitted grant proposals on July 1. These proposals total between \$134 to \$135 million compared to the total available funding of \$80 million. For this reason, the Grant Committee requested that counties identify cost-saving proposals (to decrease costs closer to the \$80 million) for presentation to the Grant Committee in August. On Aug. 26, DHHS presented its proposal for the Milwaukee County Model of Youth Justice Reform which included a Continuum of Services identified below. The SRCCCY is only one piece of the continuum – the other components are critical to achieving youth justice reform. The full presentation is included as an attachment to this report.

# CONTINUUM OF SERVICES



Community-Based Alternatives	Non-Secure/Staff Secure Residential Treatment	SRCCCY	Transition & Aftercare
<ul style="list-style-type: none"> <li>• Wraparound Milwaukee, Running Rebels, YAP, Credible Messengers, Level II Monitoring, community treatment programs, Achievement Centers</li> </ul>	<ul style="list-style-type: none"> <li>• Bakari center (24 beds)</li> <li>• Norris Virtual Academy</li> <li>• Staff Secure partnership with agency TBD for Girls residential(5 beds)</li> </ul>	<ul style="list-style-type: none"> <li>• 32 bed expansion/remodel at Vel Phillips</li> <li>• Potential leased beds TBD</li> <li>• Vel Phillips School (Wauwatosa School District)</li> </ul>	<ul style="list-style-type: none"> <li>• MST-FIT</li> <li>• Wraparound Milwaukee</li> <li>• MATC, Employ Milwaukee, Job Corps, other vocational partners</li> </ul>

After this presentation, the Grant Committee requested further detail on our proposal. DHHS is currently developing two options – Option A which involves the renovation of Vel Phillips and leased beds in the community as well as Option B which involves the renovation of Vel Phillips only. A proposal and preliminary design plans were submitted to the Grant Committee for these two options on September 9. It is important to note that this plan includes no addition, expansion or renovation of detention facilities. The proposal is included as an attachment to this report.

All of the proposals that have been submitted so far to the Grant Committee are outlined below:

<b>Milwaukee County Model of Youth Justice Reform Proposals to Juvenile Corrections Grant Committee</b>				
	<b>New Facility</b>	<b>Vel Phillips Renovation &amp; Community Sites</b>	<b>Vel Phillips Renovation &amp; Leased Beds (Option A)</b>	<b>Vel Phillips Remodel (Option B)</b>
Proposal Submission Date	3/31/19	7/1/19	9/9/19	9/9/19
# of New Beds	40	32	16	8
# of Beds for Girls	0	8	0	0
Staffing Ratio	1:5	1:5 (boys); 1:3 (girls)	1:4	1:4
Vel Phillips Renovation	Yes	Yes	Yes	Yes (expanding footprint of Vel Phillips)
Residential Site(s)	No (one large facility)	Yes	Exploring potential for leased beds	No
Project Description	Provides for 40 “new” beds on a new campus site and the remodeling and repurposing of 22 existing beds for the Milwaukee County Accountability Program (MCAP), bringing the total SRCCCY bed capacity to 62	Remodel two pods in Vel R. Phillips Youth Detention Center to serve as Assessment and Crisis units for boys; Renovating and/or converting existing building(s) to serve boys and girls in a community-based SRCCCY site or sites.	40 total beds ( <i>Up to</i> 22-bed remodel at Vel Phillips & <i>up to</i> 24 leased beds in the community)	32-bed remodel at Vel Phillips (which reflects 8 new beds)
Total Construction Cost	\$41.1 million	\$41.8 million	Not-to-exceed \$24,858,203	\$24,858,203
Start-up (incl. staff training & equipment)	\$1.7 million	\$2.1 million	\$2.1 million	\$2.1 million
Increase over Current Budget for State DOC Orders	~\$2.7 million	~\$4.4 million	~\$5 million	~\$2.1 million

**Program Sustainability & Fiscal Impact**

Although there are many unknown factors at this point, the total operating budget is estimated to be \$15 million for Option A and \$12.1 million for Option B. The total amount in the DYFS 2019 Budget for youth placed on DOC orders is about \$10 million. Therefore, both Options A and B represent a significant cost increase over the current budget. One of the major drivers of this cost is the high staff to youth ratio which is 1:4. This high staffing ratio is needed not only to ensure the safety of youth but also to enable a high degree of positive interaction between the staff and youth.

The Grant Committee and DOC representatives have indicated that the only funding available for the SRCCCYs is the \$80 million in bonding for construction. At this time, no additional funding such as Youth Aids is available to support ongoing operating costs for the SRCCCYs and the community-based alternatives which are necessary to implementing a successful youth justice reform model. Counties throughout the State of Wisconsin have expressed concern over the ongoing operating cost of the SRCCCYs and the difficulty in closing future budget gaps.

DHHS is committed to making this model work within the existing budget of DYFS. Assuming no additional funding is provided by the State, this will require DYFS to carefully assess its community-based contracts as well as the investment that’s included in the proposals for Front-End Diversion and Aftercare programming.

Milwaukee County continues to assert that expanding the State’s investment in proven prevention, early intervention, and community-based services for youth involved in the justice system will help reduce the need for “deep end,” confinement programs and result in better outcomes for our communities and youth.

**Next Steps**

Please see the timeframe for review of the applications below:

Action	Date
Grant Committee Reviews Applications	July 1– September 30
Grant Committee Submits Recommendations for Approval to Joint Committee on Finance (JCF)	October 1*

\*Once Grant Committee recommendations are received by JCF, it is unclear how long JCF will need to make final grant award decisions. Per Act 185, the Grant Committee and the DOC cannot implement the Wisconsin Model of Juvenile Justice Statewide Plan until it is approved by the JCF.

DHHS will notify the County Board of the grant award once it is known. This past March, DHHS indicated it would seek approval of the grant award and make a recommendation for any gap in construction funding (File No. 19-236).

**Recommendation**

This report is informational and no action is required.



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Mary Jo Meyers, Director  
Department of Health and Human Services

Attachment (2)

cc: County Executive Chris Abele  
Hon. Maxine A. White, Chief Judge  
Raisa Koltun, County Executive's Office  
County Supervisor Supreme Moore-Omokunde  
Steve Cady, Research Director, Comptroller's Office  
Pam Matthews, Fiscal & Management Analyst, DAS  
Lottie Maxwell-Mitchell, Research & Policy Analyst, Comptroller's Office