File No.

(ITEM) From the Director, Department of Health and Human Services, requesting authorization to accept a State of Wisconsin grant award with a required five percent match and execute a use restriction agreement for the Secure Residential Care Center for Children and Youth (SRCCCY) for Children, Youth and Family Services (CYFS), by recommending adoption of the following:

# A RESOLUTION

WHEREAS, over the last several years, the County Executive and Milwaukee County Board have been working with key stakeholders to address the crisis at Lincoln Hills and Copper Lake, youth 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; and

WHEREAS, in March 2018, the Wisconsin State Legislature adopted Act 185 which directs the closure of Lincoln Hills and Copper Lake for use as youth correctional facilities, with counties assuming responsibility for operating Secured Residential Care Centers for Children and Youth (SRCCCYs); and

WHEREAS, the mission of the project is to establish a safe, positive, sustainable, and developmentally appropriate treatment environment for youth committed to the county under Wisconsin Statute Section 938.34(4m) that effectively promotes accountability, protects the community, reduces recidivism, and returns youth to our community with the skills needed to become successful and productive citizens; and

WHEREAS, under the Act, the State Building Commission can authorize capital funding counties for the planning and construction of these facilities and eligible construction costs include new construction as well as the renovation of an existing structure; and

WHEREAS, to qualify for the funds, counties submitted grant applications to the Juvenile Corrections Grant Committee established by Act 185 on March 31, 2019; and

WHEREAS, Milwaukee County submitted an initial application along with subsequent revisions and ultimately, received a $15.2 million grant award which was $8.4 million short of the total amount requested in State funding needed to modify the detention center at the Vel R. Phillips Youth and Family Justice Center as an SRCCCY; and

WHEREAS, due to the gap in funding as well as the uncertainty around the State’s plans for its Type 1 facilities, County Executive David Crowley and the DHHS Director submitted a letter in August of 2020 to the State Department of Corrections (DOC) requesting deferral of the grant award; and

WHEREAS, the daily rate for youth placed in the State facilities has increased significantly over the last several years with the biggest jump occurring from 2021 to 2022, from $615 to $1,154; and an increase to $1,246 is anticipated in the 2023-2025 State Budget which represents an annual cost of about $450,000 for just one youth placement; and

WHEREAS, even though the Average Daily Population (ADP) of youth detained in the State facilities has declined dramatically by over 70% since 2015, the daily rate has nearly tripled ($301 to $1,154) during this same period which is creating an unsustainable financial situation for CYFS with 2022 actual costs being $6.8 million over budget; and

WHEREAS, due to the concern around the ongoing financial impact of the daily rate as well as potential for the State to repurpose the grant award if DHHS continued to defer the funds, DHHS met with the DOC in July of 2022 to advocate for additional funding to meet the capital budget gap; and

WHEREAS, based on the recommendation from the DOC, on August 16, 2022, the Wisconsin Legislature’s Joint Committee on Finance voted unanimously to re-allocate $13.1 million from Dane and Brown Counties to Milwaukee County and in combination with the $15.2 million already approved, the total amount of State funding is $28,338,351; and

WHEREAS, at this time, the total estimated capital budget is about $30 million and after accounting for the $28.3 million in State grant funding, the remaining balance is $1.7 million which is already available in existing capital project WS0124 – Secure Youth Facility – Phase 1 and allows the county to more than meet its 5 percent match; and

WHEREAS, the total estimated operating budget for the SRCCCY is $18.2 million in 2023 dollars and assuming the nearly $15 million budgeted for DOC corrections charges in 2023 can be redirected to the SRCCCY, the current budget is anticipated to be sufficient to operate the SRCCCY assuming no reductions are made to future year budgets before the SRCCCY becomes operational; and

WHEREAS, approval of the State of Wisconsin grant award and use restriction agreement enables Milwaukee County to establish a SRCCCY that offers effective programs, partners with community services and resources, fully engages families, and ultimately supports the successful transition of youth from the SRCCCY back into the community; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby authorize the Director, Department of Health and Human Services, or her designee, to accept a State of Wisconsin grant award with a five percent match and execute a use restriction agreement for the Secure Residential Care Center for Children and Youth for Children, Youth and Family Services (CYFS); and

BE IT FURTHER RESOLVED, the Milwaukee County Board of Supervisors authorizes the Department of Administrative Services, Office of Strategy Budget and Performance (DAS-SBP), working in conjunction with the Office of the Comptroller, to process an administrative appropriation transfer to provide capital project WS12401 – Secured Youth Facility with $28,338,351 of expenditure authority and offsetting revenue from the State of Wisconsin.