

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: May 16, 2024

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

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

Subject: An informational report from the Director, Department of Health and Human Services, regarding the implementation of a Secured Residential Care Center for Children and Youth (SRCCCY) under Wisconsin Act 185

File Type: Information

REQUEST

This informational report is intended to update the Milwaukee County Board of Supervisors on the implementation of a Secured Residential Care Center for Children and Youth (SRCCCY) in Milwaukee County.

POLICY

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) within Type 1 facilities, but the supervision of youth under other correctional placements would be transferred to the counties.

Wisconsin State Statutes:	Ch. 938
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BACKGROUND

Per Act 185, the State is to fund 95 percent of the design and construction of SRCCCYs with counties contributing the remaining 5 percent. To qualify for the funds, counties were required to submit a grant application to a state grant committee. 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.

In July 2020, DHHS received a communication from the DOC requesting that Milwaukee County accept the \$15.2 million grant award. In response, County Executive David Crowley and the DHHS Director submitted a letter to the DOC requesting deferral of the grant award. The reasons for the deferral included the uncertainty around the State's plans for its Type 1 facilities and additional operating support for the SRCCCY.

On July 8, 2021, Governor Evers signed the 2021–2023 State Budget that excluded his previous youth justice reform proposals and raised the daily rate for youth correctional placements at Lincoln Hills and Copper Lake school from the previous rate of \$615 to \$1,154 per day. The daily rate then increased to \$1,178 per youth on July 1, 2022, and again was increased to \$1,246 per day, per youth in July 2023 for a total \$454,790 annual cost per youth in a correctional setting.

Legislation was approved in April 2022 to allocate up to \$41.7 million to construct the new state-run Type 1 correctional facility for boys in Milwaukee. In early August 2022, the Milwaukee Common Council voted to support initiating the process of building a new Type 1 facility on the city's northwest side near 76th Street and West Clinton Avenue and this facility is now moving forward.

It had been discussed that the funds awarded to counties for building local SRCCCYs could be repurposed if counties continued to defer the funds. At the end of July 2022, DHHS met with the DOC to discuss Milwaukee County's position on an SRCCCY and to advocate for additional funding to meet the capital budget gap. After this meeting, DHHS submitted a written request to the DOC for an additional \$15 million for the remodeling and construction costs for the SRCCCY.

On August 16, 2022, the Wisconsin Legislature's Joint Committee on Finance voted unanimously to reallocate \$13.1 million from Dane and Brown Counties to Milwaukee County based on a recommendation from the State DOC. In combination with the \$15.2 million already approved, the total amount of State funding is \$28,338,351.

The Department of Administrative Services (DAS), with the support of DHHS, had made a request during the 2024 capital funding cycle for additional funds for the SRCCCY in the amount of \$3,359,310 and this was approved in the October 2023 cycle. The additional funding is allocated for increasing the outdoor recreational space, additional square footage for clinicians in behavioral health services, an additional classroom, dental suite, and additional remodeling of the existing MCAP housing units to align it with the new housing units. The total SRCCCY planning, design and construction costs are currently at \$31,697,661.

The project reflects a 32-bed SRCCCY which provides for a net increase of eight beds from the current Milwaukee County Accountability Program (MCAP). A total of four beds of the 32-bed facility would be dedicated to girls.

The project scope includes the following:

- Renovation of the two existing Milwaukee County Accountability Program (MCAP) housing units at Vel R. Phillips
- Education – classrooms, teacher support and offices, a computer/learning lab, vocational programming, testing/consultation, and other multi-media activities
- Mental Health, Health, and Dental Care – space in the main building includes space needed to meet all basic physical, mental, and dental health needs, including space if needed for temporary housing of ill youth
- Recreation Space – indoor and outdoor recreation and green space
- Welcome Center, Visitation and Dining - public entry would occur via a welcoming vestibule and include space for family visitation and dining

Assuming the nearly \$15 million in costs for DOC correctional charges included in the CYFS 2023 Adopted Budget can be redirected to the SRCCCY, the current budget is anticipated to be sufficient to operate the SRCCCY in 2023 dollars. However, if reductions are made to future year budgets before the SRCCCY becomes operational, this will create a funding gap.

The Grant Agreement allows the county to accept the total grant award of \$28,338,351 and the Use Restriction Agreement requires that the facility that is designed and constructed with grant funds continues to be used as a SRCCCY and youth detention facility. Because the grant funds have a restricted purpose, if the use of the facility should change, this will result in the State acquiring an interest in the property equal to the amount of the grant. Both agreements have been signed and executed. The County Board of Supervisors approved the acceptance of the grant award and to execute a use restriction agreement for the SRCCCY in April 2023.

The site logistics plan has been finalized in collaboration with DOC and includes the consideration of the impact on building operations and security during the construction phase of the SRCCCY. This plan will continue to be reviewed for any modifications needed throughout the planning and implementation of the SRCCCY.

The current project timeline has construction and remodeling starting in mid-2024 with an 18-month construction duration and owner occupancy to occur by the end of 2025 and operational by the first quarter of 2026.

Implementing the SRCCCY here in Milwaukee County will do the following:

- 1) To fulfill the collective goal of creating a local alternative option for Milwaukee County youth to be placed in a safe environment, closer to home.
- 2) To establish a youth justice model that emphasizes emotional regulation, pro-social decision making, enhanced social competencies, and family engagement and creates a safe and secure environment.
- 3) To better control secure placement costs for Milwaukee County youth. 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 \$1,246) during this same period which has created an unsustainable financial situation for CYFS.

Project Update

DHHS has received the Conditional Use and Design Review Board Approval from the City of Wauwatosa. The SRCCCY site plan has been resubmitted to the City of Wauwatosa that addresses the previous comments, and this is in process of being reviewed for Site Plan Approval. DHHS has also received pricing back from Bid Release #1 and is working with Gilbane on the Recommendation to Award for those contracts. Also, Gilbane has submitted its Guaranteed Maximum Price proposal to the county for review and signature. Bids for Bid Release #2 are due to the County on May 13. As of May 6, the construction mobilization is scheduled to begin June 24, 2024.

The SRCCCY planning and construction planning committee continues to meet on a bi-weekly basis to move the project forward and finalize all necessary steps to keep on track with the timeline. The SRCCCY programming and transition team continues to meet on a consistent basis to plan for staffing, training, services, and programming transitions and implementation from MCAP to SRCCCY operations. DHHS also continues to work with Racine County and DOC to ensure alignment and consistency with the administrative rules promulgated under DOC 347 and identify any opportunities to learn and work together across the two counties.

DHHS will continue to update the County Board on any future changes.

Related File No's:	21-29, 20-21, 19-23, 18-924
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ALIGNMENT TO STRATEGIC PLAN

DHHS continues to work toward transitioning youth out of Lincoln Hills and Copper Lake Schools back to their homes and communities in partnership with DOC. CYFS has been leveraging its resources, including Opioid and ARPA funds, toward the ongoing development of community-based programming for justice-involved youth and their families through innovative initiatives. CYFS is also committed to building out a continuum of care to include targeted preventive and diversion services and initiatives, as well as the SRCCCY. All these initiatives are occurring in the Milwaukee community and are focused not only on the youth but also their families and communities across Milwaukee County. This programming meets the youth where they are in unique ways that are individualized to their needs.

FISCAL EFFECT

This report is informational and there is no fiscal effect.

VIRTUAL MEETING INVITES

Shakita LaGrant-McClain, DHHS Director
Kelly Pethke, CYFS Administrator

PREPARED BY:

Kelly Pethke, CYFS Administrator

APPROVED BY:

Shakita LaGrant-McClain
Shakita LaGrant-McClain, DHHS Director

ATTACHMENTS:

None

cc: County Executive David Crowley
Hon. Karl Ashley, Chief Judge
Sup. Shawn Rolland, Chair, Health Equity, Human Needs, and Strategic Planning Committee
Mary Jo Meyers, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County
Steve Cady, Research Director, Comptroller's Office
Lottie Maxwell-Mitchell, Sr. Budget and Management Analyst, DAS