

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: August 17, 2018

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, seeking approval to transfer funds from its operating budget and establish a capital project for a Secured Residential Care Center for Children and Youth (SRCCCY) as a replacement to Lincoln Hills/Copper Lake**

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 January 1, 2021 and authorizes locally 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 Act sets forth various arrangements for establishing SRCCCYs. A county may establish an SRCCCY on its own, jointly with one or more other counties, contract on its own or jointly with a child welfare agency, or contract with another county to place juveniles in that county's SRCCCY.

Act 185 further authorizes a county to use its Youth Aids allocation for youth detention center costs which was not permitted previously.

Under the Act, the State Building Commission can authorize up to a total of \$40 million to counties for the planning and construction of these facilities. Eligible construction costs include new construction as well as the renovation of an existing structure. To qualify for the funds, counties must submit grant applications to the Juvenile Corrections Grant Committee in DOC by March 31, 2019. Under Act 185, the grant program covers the following:

- 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

Discussion

DHHS is eager to move forward in implementing a local alternative to connect youth to the communities in which they and their families live and effectively prepare them for a successful return to the community as early as possible. DYFS has assembled a Steering Committee and workgroups to formulate recommendations and options for a SRCCCY consistent with the following vision:

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.

A critical partner in this endeavor is the Department of Administrative Services (DAS) Facilities Management. Given the extremely ambitious timetable, the Division of Youth and Family Services (DYFS) and Facilities 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
SRCCCY Requirements Issued	Juvenile Corrections Study Committee is charged with issuing recommendations for SRCCCY programming & services	September 1, 2018
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

At the end of July, Facilities released a request for proposals (RFP) seeking professional consulting services to support the preliminary facility design of a SRCCCY. The following identifies the scope of work included in the RFP:

- a. Task A - Development of the Owner's Project Requirements
- b. Task B - An architectural study of the feasibility to renovate and/or expand an existing facility
- c. Task C - Development of conceptual plans and concept level cost estimate

On August 6, 2018, Continuum Architects + Planners, S.C. was selected to provide professional consulting services. Facilities executed a contract for \$53,675 to complete Task A – development of the owner's project requirements only. Pending approval of a capital project by the County Board and receipt of additional State revenue as described below, Facilities will execute a contract amendment

to cover Tasks B and C. With only about seven months until the grant submittal, consistent progress on project deliverables is crucial.

Secure Residential Care Center for Children & Youth Capital Project

DHHS is seeking approval to create a capital project (WS12401 – Secured Youth Facility – Phase 1) to authorize costs associated with the SRCCCY. This work will initially include the preliminary facility design and real estate broker services, evolving into final planning and design and ultimately, the construction of the SRCCCY. This scope also reflects a facility life cycle cost analysis and operating and maintenance cost estimate including new staffing needs.

The cost associated with this capital project is recommended to be financed by tax levy surplus in DYFS. This tax levy surplus is being generated by additional Youth Aids revenue of \$3 million awarded by the State Department of Children and Families (DCF) under an amendment to DYFS' 2018 contract. The change in allowable use of Youth Aids for detention center costs specified in Act 185 will essentially "free up" \$3 million in budgeted tax levy. Previously, detention center costs were not eligible for Youth Aids funding and were being covered 100 percent by county tax levy. DHHS is requesting that the resulting tax levy surplus up to \$3 million be transferred to a capital project to support initial planning and design as well as potentially cover some portion of the county's 5 percent required commitment to the overall costs approved as part of its grant application.

Currently, there are several key unknowns regarding the new facility such as the specific SRCCCY requirements, location(s) and size of the facility(ies), and funding level. In addition, there is only \$40 million in capital funding available statewide for counties. Until a grant application is approved, DYFS will not know if it will be sufficient to cover 95 percent of the capital costs.

DHHS will provide informational updates to keep the Milwaukee County Board informed throughout the project.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, or her designee, to transfer tax levy surplus up to \$3 million from the DHHS operating budget and establish a capital project for a Secured Residential Care Center for Children and Youth (SRCCCY) as a replacement to Lincoln Hills/Copper Lake.

Fiscal Impact

A fiscal note is attached.



Mary Jo Meyers, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Hon. Maxine A. White, Chief Judge
Sup. James "Luigi" Schmitt, Chair, Finance Committee
Sup. Supreme Moore-Omokunde, Chair, Health & Human Needs Committee
Raisa Koltun, County Executive's Office
Teig Whaley-Smith, DAS Director
Kelly Bablitch, County Board
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