



WISCONSIN DEPARTMENT OF CORRECTIONS

Governor Tony Evers / Secretary Kevin A. Carr

Juvenile Corrections Grant Committee

August 16, 2019

Chris Abele, Milwaukee County Executive
Milwaukee County Courthouse, Room 306
901 N. 9th Street
Milwaukee, WI 53233

Dear County Executive Abele:

Milwaukee County has inquired of the Juvenile Corrections Grant Committee whether grant funds issued under the Juvenile Corrections Grant Program may be used for the design and construction of facilities owned by a third-party and leased by Milwaukee County. Under the proposed plan, Milwaukee County would operate the leased facilities as secured residential care centers for children and youth.

Pursuant to Act 185, as amended by 2019 Wisconsin Act 8, the Grant Committee may work with applicants to modify their applications in order to increase the likelihood of being awarded a grant. In this capacity, you are being provided the following response.

Under Act 185, if for any reason, a facility that is constructed with funds from the grant is not used for the purposes identified under the grant program, the state shall retain an ownership interest in any facility equal to the amount of the grant awarded. This requirement ensures that any public debt incurred by the State of Wisconsin to support the grant program will be used for public purposes as required by the Wisconsin Constitution. The Lessor of any facility designed or constructed using grant funds must provide a mechanism for the state to exercise an ownership interest over the property should the facility not be used for the purposes for which the grant was awarded.

While the Juvenile Corrections Grant Program does not foreclose the option of a grant being used for the design and construction of a secured residential care center for children and youth in a leased facility, the particular details of any lease arrangement and an agreement by the Lessor to permit the state to exercise an ownership interest in the facility must be provided. This agreement would have to be evaluated to the satisfaction of the Grant Committee and the Department of Corrections prior to the Committee being able to recommend approval of such a grant to Joint Committee on Finance as part of the Committee's statewide plan. Additionally, the agreement would have to meet criteria to ensure the bond counsel can give an unqualified opinion the bond is secure. That statewide plan is due to the Joint Committee on Finance by October 1, 2019.

If you would like to continue to pursue a lease option, the Committee asks that you work with the staff of the Department of Corrections and Department of Administration to provide further details of the proposed plan and to further refine your application.

Sincerely,

A handwritten signature in blue ink that reads 'Kevin A. Carr'. The signature is written over a horizontal line.

Kevin A. Carr,
Secretary
Chair, Juvenile Corrections Grant Committee

cc: Juvenile Corrections Grant Committee Members