

MDC REPURPOSING COMMITTEE
July 26, 2016
JEFFERSON COUNTY CLERK AND RECORDER CONFERENCE ROOM

ATTENDANCE

Drew Dawson, Chair
Representative Ryan Lynch
County Commissioner Bob Mullen
County Commissioner Leonard Wortman
Mayor Gary Craft
Jim Heikes
Dan Villa (by phone)
Janie Lewis
Rhandi Rachlis
Jan Anderson
Senator Jim Keane
Debbie Gabse
Lynn Price
Representative Ryan Lynch

NOTE: The conference call was recorded and may be accessed at: <https://fccdl.in/3cMj9RaLF>

Following self-introductions, the minutes of the June 28th, meeting were approved as corrected.

Governor's Office Report – Dan Villa

Dan stressed that they continue to move the residents into community placement, but some of the community providers are having trouble finding employees to staff their facilities given that we are basically at full employment in the state.

He has requested the Department of Administration to do an appraisal of the property in two parts – part A and part B. Part A will be what will become the Secure Transition Facility and what that would entail. Everything behind Grizzly Drive to the property line and Building 104 would be part of one appraisal. And Part B would be all of the remaining land that is part of MDC. We are doing that just to get an idea of what would a lease cost...what is the value? What would the rent cost be? What would the pass through cost to state agencies be? Get an idea of cost and asset value. Doing an RFP for the appraiser. There will be a 25 day turn-around for the RFP process and then anticipate 60 days from that which will put the appraisal completion right around budget completion time. Thanks to BTAC for bringing the idea forward. This will help determine value and asset. If someone has an interest in the campus, it will help to determine our expectations for rent and other uses.

We have had folks approach both the community and the state. We are under a constitutional obligation to receive fair market value for the trustees. This will help to determine fair market value going forward. There is no scenario under which there will be a free (or reduced cost) lease given our constitutional requirements.

Questions:

Drew – we visited a week ago about the potential of this committee looking for non-state uses of the facility in the event there is not a state use of the campus....or if there is a use that is better than a state use. As you complete the appraisal, would there be things the community (this committee) could do to prepare packages of information about the facility or the land and begin to recruit business – in a compatible use with the Secure Transition Facility? Could we become an active partner with the state in converting this to a private use in the event there is not a state use?

Dan – firmly believe there will be a state use of the facility, but let's assume this scenario hypothetically. The community can: 1) progress with growth plan which makes additional funds for workforce training dollars and other resources if private use becomes available you're your community expectation chart is the first gatekeeper. If people come into community and try to engender false hopes, this chart helps to prevent that. Creating false expectations is also why I am a bit "coy" about not divulging too much information at this time. As soon as I have a number, I can get this number to you to help in your marketing efforts of the community. This may help ferret out folks who want to use the property for their own devices vs those who are interested in partnering with the community and the state in a re-purposing effort.

Drew – would likely be lease option rather than a purchase option given the need to have a compatible use with the Secure Transition Facility?

Dan – first priority is to make sure that nothing located on the campus interferes with the treatment provided at the STF. How this fits into the neighborhood (both STF and the community) will be an important component.

Drew – any idea of timing of state use of the facility.

Dan – until get the appraisal, don't know what can charge the state agencies. It will probably be around October some time. First submission of the budget to the legislature is November 15th with revisions due on December 15th. No gubernatorial-elect budget for Dan.

Drew – dilemma is that people may be out of work before there is another employment option for them.

Dan – have still not issued layoff notices. Still have clients for whom we have not found providers. We are still a long way from the facility actually winding down operations. Did an MOU with employees. Will be buying years of services for employees between 25-30 years of

service in order to keep the facility staffed to the end. Put on the table a retirement incentive to help those over 30 years of service leave to avoid layoffs, and also did a job fair on July 12 and 14th.

Drew – When we were discussing group homes, we chatted about the need for a community meeting here in Boulder with Dan to discuss the current status of MDC, status of group homes, etc. Dan has agreed to do participate in a BTAC-sponsored community meeting (after the MDC transition council meeting) on the afternoon of August 25th.

Drew – are there other things this committee could do to solicit non-state uses for the campus? Could you provide descriptions of the buildings, what is in them, dimensions, etc. that we could include in the package to potential bidders? Would persons be able to submit a bid at any time they wanted or would it be an auction?

Dan – Wouldn't go through an RFP. Interested party would submit proposal to the state land board, SLB would evaluate, give notice, would solicit bids, then the interested party could bid. But, not an RFP because am fully anticipating a state use of the property.

Drew – we understand that, but we are just doing our due diligence and operating on the assumption that there might not be a state use of the campus. We want to be prepared.

Dan – if there is not a state use, I anticipate there will be additional level of discussion with this committee and the community about what DOES this look like going forward. It will require additional work on our side with the land board, department of administration, etc. If there is not something in the budget, it will necessitate a much greater level of detail than what we are discussing now.

Drew – But there are still things we can do now, right?

Dan – Yes – the growth plan. Anyone coming in will want workforce training, tax credit, CDBG grants, Big Sky Trust grants, etc. All of these things are possible by virtue of the growth plan being completed. And, what is the marketing pitch for Boulder. Getting the marketing package ready and the “call out” for MDC campus – building, space, descriptions, utility bills, etc. Having a developers package ready is perfect.

Drew – the developers package for MDC is dependent on information that only you have available.

Dan - If you get me the questions you want answered, I will get them answered for you.

Lynn Price - what is a community growth plan? [Mayor Craft indicated that there is a draft copy of the growth plan which is now being reviewed. The Master Plan will add to that.]

Dan was asked for an update on the status of group homes in Boulder. The State looked at a number of houses, but there were construction and ADA issues with all of them. We are in system development and employee retention mode right now and don't have much of an update on the group homes. As we get closer to shutting down more cottages at MDC, this will spawn more active exercises into what Boulder group homes look like. We are not walking away from this. There have been a handful of people in Boulder express an opposition to group homes, but nothing substantial. This also needs to be discussed at the Community meeting in August.

Senator Keane - If looking for houses in Boulder, why can't you move a cottage into the community?

Dan – the cottages are too large to accommodate Medicaid eligibility. Then, would have to be a 100% general fund spend. The cottages also don't have a level of sight within the group home.

Doug – Is there any way for a private entity to be involved? What can I do to influence the outcomes beyond the vision statements of the community? Could original use be for other than the original deeded purpose.

Dan – has to comport with the STF, needs to fit within the community's guidelines, whoever leases must meet the constitutional obligation of fair market value and whoever occupies the facility is probably the state. If this doesn't happen, will have to engage in a whole different process and a different level of discussion.

Drew – assume you are not interested in subdividing the land?

Dan – if the use fits within the STF and criteria of the community, might not object. If major change, it would change the conversation.

Senator Keane – let's say there is an engineering company.

Dan – use the hospital window test. If you would like to see it outside of your hospital window, it is probably OK.

Randy Rachlis – what is the status of getting the building and contents.

Dan – I do have this. But, for the STF, do not divulge this information. I have information about the other facilities.

Drew – detailed information about those facilities would be available to us the developers package.

Dan – asked for committee to present list of questions.

Drew - Committee will do that, but will enlist the services of JLDC who have the expertise

Lynn - Has the concern about the secure unit being used gone away?

Drew – We [BTAC] has arrived at language. (Lynn is concerned about the MDC Transition Council)

Dan – This will be in the Executive Budget. There is a lot of resistance. Senator Thomas was not supportive. Representative Eli was opposed.

Dan – Look forward to your list of questions about the facility. Have done no layoff notices. Trying to keep employees around as we continue to provide services.

<Dan leaves the phone call>

MDC REPURPOSING SURVEY RESULTS – Jan Anderson

Jan – Repurposing Survey results. Don't have written results; Sally took them to compile and thought she would be here with them. As I remember them, most folks were in agreement that the STF should remain open at MDC. Most of the people were in agreement with the community criteria. [There were only 21-22 responses]. Several strongly supported the criteria about utilizing the skills of existing MDC employees. Some people were hesitant about keeping some sort of developmental disability function...perhaps 1/3 of respondents disagreed with this.

There was a lot more variety in the responses about the potential uses of the MDC campus if the state does not use it. People were generally in favor of a use of the facility for persons who are aging. Occupational Therapy and Physical Therapy training – about 1/3 didn't answer that question. Education – especially VoTech taking advantage of hi speed internet in Boulder – was generally agreeable. Businesses that hire persons with developmental disabilities that enable still complying with deed restrictions – about half of the respondents did not favor that one. From the comments – “we have done that already and we don't want to do that any more”. The Department of Corrections – low risk – about 2/3 indicated “NO” and several were undecided. “Veterans Services – Contracted services” – several indicated we already lost the chance to have a Veterans center. Others didn't understand. This was not particularly popular. Training facility for those working with developmental disabilities – this was more popular than the others pertaining to developmental disabilities. Veterinary Technician – about 2/3 said this sounded good. The others didn't answer or weren't sure. Training facilities – had a fair number of “agrees”, but many left it blank. Many don't understand “training facilities”.

Drew – lets go back to non-state uses of the MDC campus and think about what our next steps as a committee. Dan has assured us there will be a state use of the facility, but as we discussed about previously, we want to be prepared in the event there is not a state use or there is a change in the administration and the proposed use of the new administration does not coincide

with this administration's proposal....or whatever the variables are. How far should we go in doing the preparation for a non-state use of the facility which will probably be fairly labor intensive. Need some direction. Either way – need to complete the Master Plan, the Growth Policy, etc. Regardless of whether there is a new non-state use of the facility or if there is a state use and new employees are brought in, a major limiting factor is the non-availability of housing.

Commissioner Wortman – state doesn't have a real good record of repurposing other state facilities. We should try to move forward with some sort of process for attracting non-state use us facilities.

Senator Keane – get information from Dan about the square footage of buildings, etc. so if someone is asking about it, we have it.

Drew – could visit with Tom and Micky about doing a packet of information. Tom had requested a packet of information from Dan before and hasn't yet received that information. But, we can request the information from Dan and put together a "developers' packet".

Representative Lynch – while all of the people are still at MDC with the expertise and knowledge of the institution, making sure the information is compact is succinct, in one place – whether BTAC or JLDC. We don't want to lose this information.

Senator Keane – need to think about the timeline. Will know if there is a state purpose in a couple of months. Can start thinking about it. If there is a state purpose for it, can look at what is left. If there is not a state purpose, the process will be much more difficult. If you are going to give a packet to someone, you don't know a lot of information right now. You need to put it together with your other committees in a couple of months when you have more information. You have several options on the table now and you don't know which ones will play out.

Drew – would it be useful to begin the process of compiling the materials now?

Senator Keane – Yes – do that now, but when have more information can also know where to target the information. There are a lot of moving parts right now and don't want to waste a lot of time until we know the direction a bit better.

Commissioner Wortman – Should start the process now.

Senator Keane – should involve the other committees where focusing on the entire community, not just MDC. Then, see how MDC fits into it. Perhaps the packet isn't just for MDC, but for a different building.

Commissioner Wortman – concerned about the time frame. People being laid off in September, but we won't know about the facility until November. And, if a state agency moves out of Helena, they might bring their own people and not employee MDC staff. If there isn't a

state purpose, we are several months behind. Would like to be in a position to talk with people on November 15th if there is not a state purpose.

Drew – even if included in the Governor’s budget, could be next June.

Lynn - how does the Growth Plan interface with all of this.

Mayor Craft – Big thing with our growth policy is housing. We are land-locked. Housing is either up or better use of existing land. [Discussion about housing, finding land, etc]

Drew – Master Plan draft will be done by around October. This plan and other activities can help to guide the wise expenditure of the \$500,000 impact funding to Boulder (if received). All of the various activities now are really good and intersect with each other.

What we should do is to begin working on the Developers packet so if there is not a concrete proposal by the administration by November 15 for a state use of the facility, we would be pretty far along with our process.

There are a lot of variables. For instance, if the legislature determines that the STF should not remain open, perhaps the entire facility could be sold at that point.

Doug – can we look at facilities other than MDC? Can we broaden what we are looking at? Don’t we want to look at other employment? Are we limiting ourselves? Should we look at other businesses besides MDC?

Drew – What we are looking at today is only MDC, but we do have other committees looking at marketing Boulder, attracting businesses, etc. You make really good points about expanding our horizons. MDC committee needs to be integrated with how we are marketing Boulder.

Can begin moving along with the package, developing a timetable and game plan for doing this package. I will visit with Tom and we can chat at the next meeting about where we are with this. We can have a draft by the next time we chat.

Senator Keane – has there been any discussion with Dan about what is available through the Department of Commerce?

Drew – Director of the Department of Commerce did come down and visited with us. We are working with them to pursue other opportunities. They are extremely helpful. The State Department of Agriculture also visited with us and were very helpful.

Senator Keane – we need to be working, before the next legislative session, on getting some of those funds for Boulder....whether Commerce or Agriculture Departments. Now is the time to start planning. What program do we want to plug into the budget so at the end of the next legislative session, it will come to Boulder?

Commissioner Wortman – in kind of a tight place. Working on the Master Plan and hoping to get enough out of this plan in October to put together packages to take to the legislature.

Senator Keane: Need to target actual things that can happen.

Drew: Our trick as a community is to try to assess all of the things that are going on. That is where the Master Plan [complemented by the Resource Assessment] will help us to do and corral the efforts into those high priority areas that are really, really important. Then, we can get behind those high priority items and move forward...and get those really important ones to the legislature. There are a lot of things moving forward now and that is really good, but we need to agree on 4 or 5 of those and move forward on those...go “hell bent for leather” with trying to accomplish those, including legislation, state budget, impact funds, state grants, Federal grants, etc.

Doug – might be good to get private entities involved that are not tied to the government.

Senator Keane – points are well taken. The government has programs to take you to the point that the private entities start looking at you.

Jim H. – State will have to stand down before private industry will look too hard at this.

DATE FOR NEXT MEETING IS: AUGUST 30TH AT 3:30 PM IN THE JEFFERSON COUNTY CLERK AND RECORDER’S CONFERENCE ROOM.

LYNN PRICE – expressed concerned about groups homes, what is the risk, how it is managed? Concern about why folks are opposed to this, etc.

Drew – will have meeting on the 25 with Dan and find out where we are and where we are not with group homes. This is issue with timing. We might not want to spend a lot of time and energy on this until we know if there will be group homes. If there are going to be group homes in Boulder, BTAC should do public meetings with the Administration to provide factual information and to dispel myths. I visited with Dan about our taking an active role in doing that and to avoid what happened in Forest Park. Am concerned about whether we should do this know or wait. Have the same concerns about some of our proposed uses of the facility. We might not want to put a lot of energy into these items until we know what a proposed use of the facility will be. We might want to tailor our time and energy around the proposed state use of the facility so we don’t wear ourselves and constituents out. One of our jobs is to work with the Administration to ensure a smooth transition.

Senator Lynch – Dan would have better information about FTEs and other factual information to present.

Deb Gabse – state operated group homes have never been done before so we cannot look at existing ones as examples.

Following some additional discussion, the meeting was adjourned.