Community Capital Funding Information
September 16, 2019

Art Wills, Capital Project Manager
Overview

• Introductions & Role of OhioMHAS Capital Office
• What are Capital Funds?
  • Capital Planning Cycle and Process
• Requirements
  • Eligible/Ineligible Uses of Funds
  • Contract, 30-year forgivable mortgage, and note
  • Appraisals
  • Public Bidding
• Application Process
• Project Phases
• OhioMHAS Capital Contacts
Who We Are & What We Do

• Bureau of Capital Planning and Management

• Hospitals
  • 6 Regional Psychiatric Hospitals
  • State owned property, leases, other agreements

• Community
  • Funding and development of housing, program space, and consumer operated services projects
  • Work with local systems
  • Submit Capital Plans to Office of Budget and Management (OBM)
What Are Capital Funds?

• Bond Dollars
  • Provided by OBM
  • Used for purchase, construction, and renovation
  • Support a public behavioral health mission

• Funds are awarded to OhioMHAS on a biennium basis

• Currently Planning for FY 21-22, Fall of 2019
OhioMHAS Capital Planning Cycle

1. Needs Identified
2. Develop Plan & Budget
3. Legislative Process
4. Project Development and Selection
5. Project Development and Application

Local System Planning


Current Biennium FY 19-20
Capital Plan Process

• Projects considered for funding:
  • Identified by ADAMHS board as priority (priority 1, priority 2)
  • Project Viability
    • Renovation - can be completed in 6-9 months
    • New construction - can be completed in 12 months

• Project Readiness:
  • Site Identified
  • Local Match Secured
  • Services and Operating plans
Requirements for Capital Funds

• Must be a non-profit, 501(c)(3)
  • Articles of Incorporation include behavioral health purpose
• Must provide dollar match for project
  • Minimum 25% local match on FY 19-20 Recovery Housing funds
  • Minimum 50% local match on other project categories
• Project must be approved by ADAMHS Board
• 30-Year forgivable mortgage
  • Meet mortgage requirements
• Property owned by applicant
Eligible Uses of Capital Funds

- Site purchase
- Renovations
- New Construction
- Equipment/Furnishings
  - 5 year lifespan
- Eligible Fees
  - Architect (if state process followed)
  - Site Work
  - Legal fees related to project
Ineligible Uses of Capital Funds

• Operating Expenses/Reserves
• Replacement Reserves/Routine Maintenance
• Services
• Equipment/Furnishings
  • Less than 5 year lifespan
• Developer Fees
Contract, Mortgage, and Note

- 30-year forgivable loan
- Requirement to maintain behavioral health services approved by OhioMHAS
- Local ADAMHS Board signs contract
  - Agree to monitor project for intended purpose
- OhioMHAS willing to subordinate as long as our mortgage is secure
Appraisals

- Seeking reimbursement for property/land purchase
- Sale price over $100,000 requires two independent appraisals
- OhioMHAS reimbursement limited to:
  - Lower approved appraised value OR,
  - Actual purchase price, whichever is less
Public Bidding

• Open and competitive bid process
• Ohio Revised Code Chapter 153
• OhioMHAS Project Manager to review and approve project bid specifications prior to advertisement
• See Capital guidelines for details
Application Process

• Complete application documents
  • Sent to applicant by Capital project manager
• Site visit and application meeting scheduled
  • Tour project site, obtain applicant and ADAMHS board signatures
• Review and approval by Capital office chief and OhioMHAS director
• State controlling board approval
Project Phases

Phase I
- Application
  - Site visit
  - Approval
  - Controlling board

Phase II
- Project
  - Pre-bid review
  - Purch./Const.
  - Contracts

Phase III
- Closeout
  - Reimburse
  - Final Documents
Contact Information

Bureau of Capital Planning and Management

• Main Number
  • 614-466-3473

• Community Capital Project Managers:
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