Community Capital Funding Information

October 1, 2018

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

- Capital Planning for FY 19-20 started in Fall of 2017
1. Needs Identified

2. Develop Plan & Budget

3. Legislative Process

4. Project Development and Selection

5. Project Development and Application

Local System Planning

Jun.-Aug.

Sept.-Nov.

Dec.-Jul.

Jul.-Sept.

Ongoing

Sept.-Jun.

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

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