



## 2014-2015 ACF Critical Repair Grant Funding Guidelines

### I. Background & Purpose of Initiative

#### OHFA Award of HTF Funds

Due to the success of the 2011-2012 Adult Care Facility Critical Repair Grant, the Ohio Housing Finance Agency (OHFA) approved an amount of \$320K from the Ohio Housing Trust Fund to provide additional funding for critical repairs for eligible licensed Adult Care Facilities. The Ohio Department of Mental Health and Addiction Services (MHAS) has entered into a partnership to receive this funding award from OHFA to assist with critical repairs to facilities that house persons with very low income and/or disabilities.

MHAS continues to recognize the role adult care facilities have in providing safe and decent housing that includes support for daily living and promotes engagement and recovery that results in decreased hospitalizations, homelessness, or nursing home placements and incarceration. It is our intent to approve use of these funds for repairs that will support the facilities' continuing safety and habitability.

### II. Eligible Applicants

For the purpose of this funding, an Adult Care Facility (ACF) is defined as providing accommodations, supervision, and personal care services to three to sixteen unrelated adults in ORC § 5119.22(A)(9)(b) [renumbered to 5119.34(A)(9)(b)(iii) eff. 9/28/13]. Applicants must meet **all** of the following conditions in order to be eligible for award of funds:

1. ACF site must have a current and valid license with MHAS pursuant to ORC § 5119.22 [5119.34] - no order to deny, revoke, or refuse to renew facility's license has been issued, no order suspending admission of residents has been ordered pursuant to ORC § 5119.22(F)(2) [5119.34(E)(2)], and there is no pending civil penalty pursuant to ORC § 5119.22(O) [5119.34(N)];
2. Applicant must be the owner of the ACF site;

3. Applicant must be willing to enter into a funding agreement and record a deed restriction on the property assuring that the facility will continue to operate as a licensed ACF for a minimum of five years after completion of funded repairs;
4. Facility must have been in operation as a licensed ACF for a minimum of three years as of June 30, 2013;
5. Applicants/Owners that received funding from the 2011-2012 grants ARE eligible to apply for funding. However, new funding cannot be used for repair projects already funded in previous rounds.
6. Applicant agrees to abide by MHAS guidelines for use and monitoring of funds, including compliance with bidding requirements, permit requirements and inspection requirements;
7. **Submission of the pre-application is required in order to be considered for funding,** but does not guarantee that funding will be received.

### III. Eligible Uses of Funds

Eligible Applicants may apply for funding for up to five repair projects that fall within one or more categories of critical repairs that will preserve the integrity of the structure, or enhance the safety or habitability of the premises. Applicants must prioritize the repair projects based upon the level of severity of the need for repair as it impacts facility safety.

- Structural Defects, including:
  - Unsound or hazardous conditions of walls, ceilings or floors, that threatens structural safety, such as large cracks or holes, buckling or substrate defects.
  - Severely deteriorated windows such that they are incapable of keeping out wind or rain or present a cutting hazard; doors and windows that are inoperable or unable to be secured
  - Loose, broken or missing steps that present a serious risk of tripping or falling
  - Active termite infestation, or structural damage from remediated termite infestation
  - Unsound or hazardous exterior stairs or porches necessary for ingress and egress from facility, as evidenced by broken, rotting or insecure steps, floor surfaces or railings
  - Buckling or sagging roof indicating a potential for structural collapse or allowing for significant air or water infiltration; serious decay to eaves and soffits
  - Severe structural defects in the facility foundation indicating the potential for structural collapse or significant entry of groundwater

- Electrical Hazards, including defective wiring, non-insulated wiring, frayed wiring, improper wiring, electrical fixtures without appropriate support, badly cracked outlets, defective electrical panel boxes, and overloaded circuits
- Heating and Plumbing Defects, including:
  - Inoperable or defective heating system such that there is a potential for fire, improper connection of flues, improper installation of equipment, and/or carbon monoxide hazard
  - Defective main water supply and associated piping; serious and persistent levels of rust or contamination in the drinking water
  - Absence of required safety features on hot water heater (venting, pressure relief valve), or installation in an unsafe location without appropriate shielding
- Installation or Repair of Safety Features, including grab bars, hand rails, fire escapes
- Remediation of friable asbestos, radon, lead paint, or mold

#### IV. Ineligible Uses/Activities:

These funds **CANNOT** be used for the following:

- Appliances
- Home furnishings (beds, furniture)
- Electronic devices
- Cosmetic improvements (painting, flooring, kitchen and bath upgrades)
- Extermination
- Weatherization

#### V. Availability of Funding:

1. \$320,000 has been made available for this program by the Ohio Housing Finance Agency from Housing Trust Fund dollars.
2. Eligible applicants can apply for funding in an amount between **\$1,500** and **\$10,000** for each eligible facility.
3. Applicants may request funding for up to five eligible repairs within the limits set forth above, but must prioritize the repair requests based upon the level of severity of the repair need as it impacts facility safety.
4. Applicants/Owners with multiple facilities may apply for funds for each facility as long as the facility meets eligibility requirements. Each request for funding for a specific facility must be submitted as a separate pre-application.
5. Funding may be awarded only for repair projects that are identified on the pre-application, as submitted. However, MHAS reserves the right to consider the projects in a different priority order than identified by the Applicant if the inspection

indicates that one of the lower priority projects is a repair that is more critical to maintain or enhance facility safety.

## **VI. Application Process**

1. MHAS will conduct regional meetings for interested ACF owners to review the pre-application and submission requirements. Information about the meetings is provided in the cover letter accompanying this announcement and is available on the MHAS website. ACF owners are encouraged to begin the process of obtaining contractor estimates for repair projects as soon as possible, since obtaining cost estimates may take some time, but estimates are required to be submitted with the pre-application.
2. Pre-application Due by 5:00 pm on October 30, 2013. Eligible Adult Care Facilities must submit a pre-application on the form provided in order to be considered eligible for funding:
  - a. Maximum total amount of funds that may be requested in the pre-application is \$10,000. Minimum request is \$1,500.
  - b. Applicant must provide a summary of total repair needs, including an explanation of any existing or imminent repair concerns that will not be addressed with this funding.
  - c. Applicant must provide a written description of the work needed and full cost estimate for each repair project, and must provide pictures and/or lab/test results documenting the repair need. If the full cost estimate for repair project(s) is more than the amount requested in grant funds, Applicant must explain how it will fund the difference in order to complete the repair project(s). MHAS will not approve funding for repair project(s) that are not demonstrated to be funded for full completion.
  - d. Applicant must agree to submit documentation in compliance with applicable timelines and to complete funded projects by June 30, 2014.
  - e. Submission of the pre-application, including Applicant's agreement to comply with program requirements, is required in order to be considered for funding, but does not guarantee that funding will be received.
3. Review of pre-applications:
  - a. MHAS staff will review for eligibility based upon the stated requirements in this funding announcement and the Pre-Application.
  - b. MHAS staff will review the submissions in order to evaluate the nature and extent of identified need and prioritize types and categories of projects that can be addressed within the limits of available funding. After assessment of total need, and considering available funds, categories of applications will be prioritized for final consideration for funding.

4. MHAS will schedule site visits to verify funding requests for those priority categories identified as described above. The purpose of the site visit is ONLY to verify the critical repair items identified and to confirm the project fits within the allowable eligible activities. **Site Visits are not a guarantee that funding will be awarded for the project.**
5. Final Funding Decisions will be based upon factors including, but not limited to:
  - a. Type of repair
  - b. Number of years in business
  - c. Number of persons served or capacity to serve
  - d. General condition of the facility
  - e. Owner's previous history of facility upkeep
  - f. If previously awarded ACF Critical Repair Funds, owner's/applicant's history of compliance with grant requirements, including timelines for project completion and submission of documentation
  - g. Outstanding corrective actions relating to facility licensure that address issues other than the facility's physical structure
  - h. Sustainability of the facility
  - i. Geographical distribution of funds (relative to geographical distribution of ACFs)

**It is not MHAS's intention to fund repairs unless the facility, as repaired, is expected to remain habitable for at least 5 years.**

6. Announcement of awards will occur via letter. Awards will be conditioned upon Applicant's compliance with grant requirements, including demonstration of appropriate progress toward project completion. Those who do not get funding will also receive a letter. A waitlist will be maintained since some projects selected for funding may not move forward or may be completed at a lower cost than originally estimated, freeing up funding for additional projects.

## **VII. Implementation**

1. MHAS will be working with selected owners to maintain progress toward project completion by requiring completion/submission of paperwork in phases.
2. ACF owners awarded funding for selected projects will be required to submit the signed funding agreement, bid cover sheet and three bids with contractor estimates within 30 days of receipt of approval letter in order to demonstrate progress toward project engagement. Failure to demonstrate appropriate progress on project(s) may result in a decision to re-direct the awarded funds to another Applicant or project.

3. MHAS will offer meetings for ACFs selected for funding – ACF owners selected for funding will be required to attend one of these meetings, where MHAS will review bid process, contracts management, payment procedure, and deed restriction requirements.
4. Selected ACF owners must define a written scope of work to solicit a minimum of three letterhead bids for each funded project. The bid solicitation process must assure that all bids are based on comparable scopes of work.
5. Contractor Requirements - Contractors selected for project work must provide the following documentation, which must be submitted to MHAS, either with the bid or upon MHAS's approval of the bid, and prior to contractor beginning work:
  - a. Ohio Worker's Compensation Certification
  - b. Proof of current licensing for plumbing, electrical, hydronics, heating, and ventilating to be performed
  - c. Local building permits as applicable to the work (e.g. plumbing, electrical, hydronics, heating, and ventilating).
6. MHAS will review all bids and must approve a bid prior to final decision for funding commitment for project work. Contracts for repairs may not be signed until MHAS approves the bid.
7. Written contracts for identified projects will be executed between the ACF Owner and the Contractor, though OHFA will reimburse Contractor directly upon ACF owner's submission of a request for funding disbursement to MHAS, submission of all other required documentation, and MHAS confirmation of completion of work, as set forth below.
8. Funding Agreement between MHAS and ACF owner must be executed and copy of properly recorded Deed Restriction must be submitted to MHAS prior to commencement of work. Costs to file/record deed restriction documents are the responsibility of the ACF owner.
9. All work must be completed no later than **June 30, 2014**. All requests for funding disbursement and associated documentation must be submitted to MHAS no later than **July 15, 2014**.
10. ACF owner will submit to MHAS a request for funding disbursement upon receipt of billing documentation from the contractor and owner's satisfaction that work has been completed as specified in the contract. Applicant must affirm that the work has been completed in accordance with the contract when submitting the request for funding disbursement. ACF owner is also responsible for ensuring that all necessary supporting documentation is submitted to MHAS, including but not limited to: contractor's IRS W-9 form; certificate of occupancy; waiver of liens; signature card; signature certificate; automated clearinghouse (ACH) set-up form;

and, disclosure forms ((Disclosure and Addendum) addressing offshore services. MHAS will inspect facility to verify completion of project work. **This inspection is only for purposes of confirming that work was done, and in no way guarantees the quality of the work.**

11. After receipt of all required documentation and verification of completion of work, MHAS will communicate to OHFA approval for reimbursement to the contractor. Upon this approval, payment is anticipated to be made to the contractor within 30 working days of submission to OHFA.
12. MHAS will maintain copies of all applications, MHAS funding agreements, recorded deed restrictions, and owner's affirmation of completion of repair work.

#### VIII. **Instructions for Submission of Application**

##### 1. Pre -Application Due Date

The deadline for MHAS receipt of pre-applications is 5:00 p.m. on October 30, 2013.

##### 2. Where to Send Pre-Application

Attention: Arthur Wills, Administrative Professional  
Ohio Department of Mental Health & Addiction Services  
Bureau of Capital Planning & Management  
30 E. Broad St., #1160 (11<sup>th</sup> floor)  
Columbus, OH 43215-3430

E-mail: [Arthur.Wills@mha.ohio.gov](mailto:Arthur.Wills@mha.ohio.gov) Fax: [614-644-5621](tel:614-644-5621)

##### Method for Submission

All pre-applications must be **submitted by hand delivery, via US mail or courier, or electronically via e-mail to [Arthur.Wills@mha.ohio.gov](mailto:Arthur.Wills@mha.ohio.gov)** in the format provided and received at MHAS by the deadline noted above, 5:00 p.m. on October 30, 2013.

If submitted electronically, cost estimates and pictures and/or lab/test results documenting the need for repair must be scanned and submitted with the pre-application. Incomplete or late submissions will not be considered. The risk of delay or failure of delivery rests with the applicant.

##### 3. Conditions of Submission

All pre-applications must be submitted utilizing the Pre-Application form. Submissions must be legible. All information requested on the form should be filled out and estimates, and pictures and/or lab/test results documenting the repair need must be properly labeled and included with the pre-application at time

of submission. MHAS will not accept attachments after application has been submitted.

4. Questions/Inquiries

Inquiries about the content of this Funding Announcement or the process for submission or evaluation of a pre-application may be submitted by email to Arthur Wills at [Arthur.Wills@mha.ohio.gov](mailto:Arthur.Wills@mha.ohio.gov) on or before September 30, 2013.