

Lucy Flores Mendez

From: Silas Halloran-Steiner
Sent: Friday, August 05, 2016 4:59 PM
To: Mary Starrett; Laura Tschabold
Cc: Christian Boenisch; Lucy Flores Mendez; Keri Hinton; Christina Malae; Terry Malay; Marie Mcdaniel-Bellisario
Subject: Board Consideration: Authorization and ratification of acceptance of Development award - Yamhill Creek Day Treatment Center
Attachments: Acceptance letter - development 061516.pdf

Hi Mary and Laura,

I am requesting ratification of the attached award acceptance letter which I signed on June 28, 2016. This award is in response to our application to support development and start-up costs associated with the Substance Use Disorder Day Treatment with Housing Support Services. Permission to apply for funding was approved under Board Order #16-20.

Additionally at this time, I am requesting authorization to sign the required documents related to the development award of \$182,619. These documents include the Promissory Note, Trust Deed, required escrow documents and lien on the property for the 30 year term.

The total award amount of \$228,523 is included in our 2016-2017 Health and Human Services Adopted budget. The start-up funds will be awarded separately.

Keri, please place this on next week's Board Agenda for approval. Suggested Board Agenda language:

"Ratify the award acceptance letter for the Community Housing Development Award for Day Treatment with Housing Support Services in the amount \$182,619 and authorize Silas Halloran-Steiner to sign the Promissory Note, Trust Deed, required escrow documents and lien on the identified property for the required 30 year term upon approval by County Counsel."

Thanks,

Silas Halloran-Steiner
Director, Yamhill County Health and Human Services Department
Phone: (503) 434-7523
Cell: (503) 435-7572
Fax: (503) 434-9846
627 NE Evans
McMinnville, OR 97128

Accepted by Yamhill County
Board of Commissioners on
8.11.16 by Board Order
16-328

Our Vision: People in Yamhill County live, work, learn, and play in safe communities that support wellness and dignity.

Our Mission: To promote the public's physical, emotional and social well-being through services, prevention, education, and partnerships.

This electronic mail may contain confidential information that is being transmitted to and only for the use of the recipients named above. Reading, disclosure, discussion, dissemination, distribution or copying this information by anyone other than the intended recipients or his or her employees or agents is strictly prohibited. If you have received the electronic mail in error, please immediately destroy it and contact me at 503-434-7523 x4740.



HEALTH SYSTEMS DIVISION

Kate Brown, Governor

Oregon
Health
Authority

500 Summer Street NE, E-86
Salem, OR 97301-1118
Voice: 503-945-5763
Fax: 503-378-8467
TTY: 800-375-2863
www.oregon.gov/OHA/amh

June 15, 2016

Silas-Halloran Steiner, Director
Yamhill County Health and Human Services
627 NE Evans St.
McMinnville, OR 97148

**Re: Community Housing Development Award Approval
for the Day Treatment with Housing Support Services - Yamhill County**

This award letter supersedes the award letter dated June 2, 2016.

Dear Mr. Silas-Halloran Steiner:

I am pleased to inform you that the Health Systems Division (HSD) has conditionally approved a Day Treatment with Housing Support Services Award in the amount of \$182,619.00 for the Day Treatment with Housing project located in Yamhill County. These funds are for the development of a 6 bed capacity program for Day Treatment with Housing Support services for individuals with substance use disorder.

It is important to note that the funds cannot be used to refund or reimburse any expenses or costs that occurred prior to the date of this award letter.

The award was approved with the following conditions, some of which require your immediate written response:

1. **Management Plan.** Provide a detailed description of the proposed management plan.
2. **Project Development Budget.** Submit a budget that identifies cost for all proposed housing development activities (acquisitions and construction). Identify sources and uses of resources that will finance the housing development. Provide a brief status of each funding source (i.e. committed,

Initial 

If you need this letter in an alternate format, please call 503-945-5763 (Voice) or 800-375-2863 (TTY)
An Equal Opportunity Employer

B.O. 116-328

Housing Development Award Letter
Yamhill County Health and Human Services
Day Treatment with Housing Support Services
Yamhill County
June 15, 2016

Page 2 of 6

application pending, etc.).

3. Project Schedule and Development Plan. Submit a revised project timeline schedule. **Please use the attached report format.**
4. Monthly Progress Reports. Provide HSD with a monthly progress report on the development of your project. **Please use the attached report format.**
5. Start-Up and Monthly Operating Budget. The Start-Up and Monthly Operating Budgets submitted in the application proposal package will serve as the initial draft budgets. Final budgets will be negotiated with the HSD Housing Development staff.

Submit Start-up Budget. **Please use the attached form.**

6. Use of Funds. Awarded funds must be used to support Day Treatment with housing support services for Medicaid and Indigent individuals with substance use disorders. Approval of the award was based on the application that was received in response to the solicitation dated December 1, 2015. Please inform HSD immediately, if the project changes. This includes changes to your budget documents that exceed 10 percent for any budget category and any changes in funding commitment amounts.

Oregon statues mandate that these funds be expended by June 30, 2017. If you will not use your award by this date, please inform HSD immediately. Your award will be withdrawn for this biennium.

7. Annual Confirmation Reports. After completion and occupancy of your project, HSD will conduct monitoring on an annual basis. As recipient of the award you will be asked to complete a confirmation report to document the continued use of the property for the agreed purpose.
8. Occupancy. The Award is conditioned on occupancy of the project occurring no later than **May 30, 2017**. This deadline may require modification prior to

Initial

SNS

completion of the project. If approved, extensions will be made in the form of an amendment to the Agreement extending the deadline as needed.

Please Note: if an extension is needed past this date, ongoing future funding for Housing Capacity Support (\$24 per diem) will NOT be awarded for the 2017-2017 biennium.

9. Appraisal. A complete copy of an appraisal from a licensed appraiser showing the current market value to support all funding sources.
10. Funding Sources. Submit verification of all participating funding sources for the project prior to disbursement of the awarded funds.
11. Securing State's Interest. HSD requires that investments in real property acquisition or improvement be secured. Execution of a Community Housing Development Agreement, Promissory Note and Trust Deed will be required. HSD reserves the right to require additional document to meet security requirements. The Promissory Note and Trust Deed will be for a term of 30 years. The Trust Deed will be recorded in the respective county. Upon your request, these documents will be available for your agency to review before closing.

The equity value on the subject property must support all secured lien positions. Any project that reflects a negative equity margin must be secured by additional collateral approved by HSD.

12. Disbursement of Award. Awarded acquisition funds will be disbursed through an escrow account using a title company located in the state of Oregon acceptable to HSD. Award recipient is responsible for any fees associated with this transaction. Unless the parties agree otherwise in writing, the Closing shall occur no later than May 30, 2017.

Complete and return the enclosed Title Company Information form designating the title company that will be handling this transaction.

Initial SM

13. Insurance Requirement. HSD requires that insurance be maintained for the life of the award. Insurance requirements are:

- **Real Estate Hazard Insurance:** coverage on all real estate in the amount of the full replacement cost (equal to current appraisal).
- **Liability Insurance:** coverage in an amount not less than **\$2,000,000** combined single limit coverage and **\$4,000,000** aggregate; with an insurance company satisfactory to HSD.
- **Flood Insurance:** *if* any portion of the real estate is located in a flood hazard zone, flood insurance, or other appropriate special hazard insurance, is required in the amounts equal to the lesser of the insurable value of the property or the maximum limit of coverage available.

Complete and return the enclosed Designation of Insurance form. This allows HSD to work directly with your insurance agent to obtain the insurance requirements prior to funding (or project completion).

14. Confidentiality Agreement. Complete and return the enclosed Confidentiality Agreement.

15. Other Requirements. Submit the following information;

- a. Confirm Site and how this site will best meet the needs of the Population.
- b. Provide a revised Monthly Operation Budget which includes mortgage amount. **Please use attached format.**
- c. Site control will be required within 3 months of issuance of this award letter. Provide a timeline where this will be obtained as well as an occupancy date of no later than May 30, 2017.
- d. Provide verification of cash contribution source along with appropriate

Initial SMS

Housing Development Award Letter
Yamhill County Health and Human Services
Day Treatment with Housing Support Services
Yamhill County
June 15, 2016

Page 5 of 6

approval for use of cash. If Yamhill County HHS is contributing cash to the project, a copy of the resolution approval is needed stating the amount of funds approved as cash contribution to the project.

16. Award Acceptance. Within 15 days from the date of this award letter initial each page, sign the letter and return the original indicating your acceptance of the Award and all the terms and conditions (a copy is enclosed for your records).

If you have concerns about any of the conditions or timelines contained in this letter, please contact the Behavioral Health Implementation Coordinator, Dana C. Peterson, at 503-945-5962 or by e-mail at dana.c.peterson@state.or.us. If necessary a conference may be scheduled with you to discuss your specific concerns.

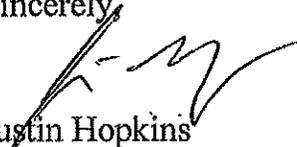
Please send the requested information to:

Dana C. Peterson Behavioral Health Implementation Coordinator
OHA/Health Systems Division
500 Summer Street NE, E-86
Salem, OR 97301-1118

For questions concerning the disbursement of the awarded funds or the security documents, please contact the Housing Investments Coordinator, Karen Knight, at 503-945-5911 or by e-mail at karen.knight@state.or.us.

HSD looks forward to the successful completion of your housing project and appreciate your efforts to increase housing opportunities for persons with substance use disorders.

Sincerely,



Justin Hopkins

Director, Contracts and Compliance

Initial



Housing Development Award Letter
Yamhill County Health and Human Services
Day Treatment with Housing Support Services
Yamhill County
June 15, 2016

Page 6 of 6

JH/mg

Enclosures

cc:

Susan Lind, Housing Development Coordinator, HSD
Darcy Strahan, Contracts and Housing Development Manager, HSD
Nicole Corbin, Adult Behavioral Health Manager, HSD
Karen Knight, Housing Investments Coordinator, HSD
Dana C. Peterson, Behavioral Health Coordinator, HSD
Luanne E. Meulink, Regulatory, Certification & Licensing Manager, HSD
Karen Wheeler, Operations Support Section Administrator, HSD
HSD File

AGREED TO AND ACCEPTED ON THE TERMS AND CONDITIONS SET FORTH ABOVE:

Yamhill County Health and Human Services
Yamhill County
Substance Use Disorder Day Treatment with Housing Support Services
A&D Community Fund: \$182,619.00

Agency: Yamhill County Health and Human Services

By: 
Silas-Halloran Steiner, Director

6/28/16
Date

Initial 

B.O. 14-328