

## Feb 2023-2025 Non-Competitive Funding:

### Closure prevention funding

The Behavioral Health Facilities (BHF) Closure Prevention Program is awarding behavior health facilities with funds to help get them through critical repairs or upgrades necessary to keep the facility in use. The funding is on a first-come, first served basis until funds are exhausted, with no funding cap up to \$7,500,000.

- Eligible facilities:
  - Existing behavioral health facilities that provide licensed behavioral health services to persons who are publicly funded are eligible for closure prevention funding. Applicants must demonstrate that without state-involvement the facility likely close within 2 years.
- Eligible Projects:
  - Physical repairs and upgrades on the facility's property, inside or outside, within its property line.
  - Capital maintenance needed to ensure facility is compliant with current or impending licensing standards.
  - Capital improvements to a facility that will free up more cash on hand for operations.
- In some circumstances, state funds may be used to purchase non-state funded facility in order to keep on existing site operational.
- Requirements
  - All projects must have a reasonable plan with a timeframe and milestones. Must demonstrate that without funding, the facility will likely close within 2 years
  - Securitization of the grant for projects where the award is equal to or in excess of \$250,000
  - A commitment period of ten (10) years to maintain and operate the behavioral health services outlined in a grant contract
  - Compliance with all applicable laws and regulations
  - Purpose of funding is to keep beds and maintain the services already in place. Not for expansion.
- Behavioral health services are defined in 71.24 RCW and 71.36 RCW.

Link to Overview: <https://deptofcommerce.app.box.com/s/nqthk02rsy4d39n92lake850cqkmx500>

Link to program Guidelines: <https://deptofcommerce.box.com/s/dy7c98xflh42mohnp6zsd6nx4h8qndkf>

### Possible Risks:

- Funds not being used appropriately after being awarded funding.
- Funds awarded to non-eligible projects.

### **Competitive Grants Status**

The 2021-2023 Adult and Child Crisis Stabilization Unit (CSU) and the Children and Youth Residential Crisis Stabilization Program (RCSP) competitive rounds were closed at 5 pm on June 30, 2023. We anticipate making award announcements in September, 2023.

**Possible Risk:** The department took additional applications after June 30, 2023.

The Fall 2021 competitive funding round award notifications have been submitted to successful and non-successful applicants from funding appropriated by the Legislature in the 2021-23 biennium. Commerce awarded \$69 million to 34 successful applicants that will further the goals for community-based behavioral healthcare across the state and create 466 new beds and other outpatient services. More information on awarded projects will be posted in the list in the right-hand column under the header Funding Round Awardees.

**Possible Risks:** Funds not being monitored for appropriate uses.

### **Trueblood Crisis Stabilization and Triage Competitive Grant Status**

Trueblood is an active lawsuit that challenged unconstitutional delays in competency evaluation and restoration services.

In the 21-23 biennium, Commerce received \$12 million for two 16-bed crisis triage and stabilization facilities in the King County region. Projects must be consistent with the settlement agreement in *A.B. by and through Trueblood, et al., v. DSHS, et al.* No. 15-35462. In the Fall 2021 funding round, we awarded \$2.5 million to a 16-bed facility planned for Federal Way. In the Spring of 2022 another funding round opened and we recently awarded \$4.2 million to the second 16-bed facility that will be sited in King County.

**Possible Risk:** The funds for the two 16 bed facilities are not being monitored correctly.

**CERTIFICATION OF ENROLLMENT**

**SUBSTITUTE HOUSE BILL 1080**

**Chapter 332, Laws of 2021**

**67th Legislature**

**2021 Regular Session**

**CAPITAL BUDGET**

**EFFECTIVE DATE: May 18, 2021**

(5) The appropriations in this section are subject to the following reporting requirements:

(a) By June 30, 2023, the department must report on its website the following for every previous funding cycle: The number of homeownership and multifamily rental projects funded by housing trust fund moneys; the percentage of housing trust fund investments made to homeownership and multifamily rental projects; and the total number of households being served at up to 80 percent of the area median income, up to 50 percent of the area median income, and up to 30 percent of the area median income, for both homeownership and multifamily rental projects.

(b) Beginning December 1, 2021, and continuing annually, the department must provide the legislature with a report of its final cost data for each project under this section. Such cost data must, at a minimum, include total development cost per unit for each project completed within the past year, descriptive statistics such as average and median per unit costs, regional cost variation, and other costs that the department deems necessary to improve cost controls and enhance understanding of development costs. The department must coordinate with the housing finance commission to identify relevant development costs data and ensure that the measures are consistent across relevant agencies.

**Possible Risks:** The Department does not follow all requirements set forth in Substitute Senate Bill 1080 for Regular Session 2021.

Link: <http://lawfilesexternal.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/House/1080-S.SL.pdf>

**CERTIFICATION OF ENROLLMENT**

**SUBSTITUTE SENATE BILL 5651**

**Chapter 296, Laws of 2022**

**67th Legislature**

**2022 Regular Session**

**SUPPLEMENTAL CAPITAL BUDGET**

**EFFECTIVE DATE: March 31, 2022**

(2) Application for funding must be made in the form and manner as the board may prescribe. In making grants or loans the board must conform to the following requirements:

(a) The board may not provide financial assistance:

(i) For a project the primary purpose of which is to facilitate or promote a retail shopping development or expansion;

(ii) For any project that evidence exists would result in a development or expansion that would displace existing jobs in any other community in the state;

(iii) For a project the primary purpose of which is to facilitate or promote gambling;

(iv) For a project located outside the jurisdiction of the applicant local government or federally recognized Indian tribe; or

(v) For the deployment of publicly-owned telecommunication network infrastructure ("backbone") solely for the sake of creating competitive, publicly-owned telecommunication network infrastructure.

(b) The board may provide financial assistance only for projects located in a rural community as defined by the board, or located in a rural county, that encourage, foster, develop, and improve broadband within the state in order to:

(i) Drive job creation, promote innovation, and expand markets for local businesses; p. 8 SSB 5651.SL

(ii) Serve the ongoing and growing needs of local education systems, health care systems, public safety systems, industries and businesses, governmental operations, and citizens; and

(iii) Improve accessibility for underserved communities and populations.

(c) An application must be approved by the local government and supported by the local associate development organization or local workforce development council or approved by the governing body of the federally recognized Indian tribe.

(d) The board may allow de minimis general system improvements to be funded if they are critically linked to the viability of the project.

(e) When evaluating and prioritizing projects, the board must give consideration, at a minimum, to the following factors:

(i) The project's value to the community, including evidence of support from affected local businesses and government;

(ii) The project's feasibility, using standard economic principles;

(iii) Commitment of local matching resources and local participation;

- (iv) The project's inclusion in a capital facilities plan, comprehensive plan, or local economic development plan consistent with applicable state planning requirements; and
- (v) The project's readiness to proceed.

**Possible Risks:** The Department does not follow all requirements set forth in Substitute Senate Bill 5651 for Regular Session 2022.

Link: <https://lawfilesexternal.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5651-S.SL.pdf>