



Department of Mental Health

PO Box 2087
Merced, CA 95344

MENTAL HEALTH SERVICES ACT

CAPITAL FACILITIES PROJECT PROPOSAL

THREE – YEAR PROGRAM AND EXPENDITURE PLAN

DRAFT

FOR DEPARTMENTAL REVIEW

JULY 22, 2009

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Exhibit 1

CAPITAL FACILITIES PROJECT PROPOSAL FACE SHEET

**MENTAL HEALTH SERVICES ACT (MHSA)
THREE-YEAR PROGRAM and EXPENDITURE PLAN
CAPITAL FACILITIES PROJECT PROPOSAL**

County: Merced

Date: _____

County Mental Health Director:

Printed Name

Signature

Date: _____

Mailing Address: _____

Phone Number: _____ Fax: _____

E-Mail: _____

Contact person: _____

Phone: _____

Fax: _____

E-mail: _____

Exhibit 1 continued

County Certification

I hereby certify that I am the official responsible for the administration of Community Mental Health Services in and for Merced County and that the following are true and correct:

- 1) The county has applied for Mental Health Services Act (MHSA) Capital Facilities Funds to construct, purchase and/or renovate a building at (address)
_____.
- 2) The intended use of this building is _____.
- 3) All necessary outside sources of funding have been secured and the MHSA Capital Facilities Funds requested in this Project Proposal will only be used to purchase, construct and/or renovate these portions of the property that will be used for the provision of MHSA services.
- 4) The building will be used to provide MHSA funded services and will expand the County's ability to provide mental health services.
- 5) For acquisition/construction Merced County will be the owner of record.
- 6) For any proposed renovations to privately owned buildings, the building is dedicated and used to provide MHSA services and the costs of renovation are reasonable and consistent with what a prudent buyer would incur.
- 7) This building will be dedicated to the provision of MHSA services for a minimum of 20 years.
- 8) Compliance with the procurement procedures pursuant to the California Government and Public Contract code were followed when Capital Facilities funds were used to renovate buildings owned by private entities.
- 9) The county will comply with federal, state and local procedures for procuring property, obtaining consulting services, and awarding contracts for any acquisition, construction, or renovation project using Capital Facilities funds.
- 10) The building will comply with all relevant federal, state, and local laws and regulations, including, but not limited to zoning, building codes and requirements, fire safety requirements, environmental reports and requirements, hazardous materials requirements, the Americans with Disabilities Act requirements, California government Code Section 11135 and other applicable requirements.
- 11) Merced County agrees to maintain and update the building as necessary for a minimum of twenty years without requesting additional State General Funds to do so.
- 12) Mental Health Service Act funds were used in compliance with Title 9 California code of Regulations (CCR) Section 3410, Non-Supplant.

Exhibit 1 continued

- 13) The County certifies it has adequate resources to complete its Roadmap for moving toward an Integrated Information Systems Infrastructure through an EHR, as described in the Technological Needs portion of this Component.
 - 14) This Project has been developed with the participation of stakeholders, in accordance with CCR Sections 3300, 3310, 3315 (b), the public and our contract service providers.
 - 15) All documents in the attached Project Proposal for Capital Facilities funding for the project to purchase, renovate, and/or construct a building at 1137 B Street in Merced, California are true and correct.
-

Date: _____

Signature _____
Local Mental Health Director

Date: _____

Signature _____
Auditor and Controller

Executed at: _____

Exhibit 2

PROJECT PROPOSAL NARRATIVE

- 1) *Briefly describe stakeholder involvement in identification and development of the proposed Capital Facilities project and how the requirements of Title 9, CCR Sections 3300 and 3315(b) were met. Submit documentation of the local review process including any substantive recommendations and/or revisions to the proposed Project.*
 - *If the proposed Project deviates from the information presented in the already approved Exhibits 2 and 3 of the Component Proposal, the County must describe stakeholder involvement and support for the deviation.*

Merced County Department of Mental Health (MCDMH) is pleased to submit this Capital Facilities Proposal. This proposal is the result of a comprehensive, inclusive and accessible community planning process. (For a fuller description of this planning process, which included planning for technology as well as capital facilities, please see the Capital Facilities and Technological Needs Component Proposal, Exhibit 2.2.) The following is a summary of Capital Facility Planning Phases.

- Community outreach: The Planning Team, made up of RDA community planning consultants and MCDMH administrators, contacted over 250 individuals, representing consumers and family members; members of community based organizations, including those representing Southeast Asians and Spanish-speaking individuals; MCDMH and other County department staffs, education, law enforcement and criminal justice and human services. All Planning Council meetings were open to the public and publicized through emails and postings. (For examples of MHSA outreach materials, see Capital Facilities and Technological Needs Component Proposal, Attachment A.)
- Community education: All meetings, including MHSA-CFT Planning Council Meetings, Focused Discussion Groups and Community Prioritization Meetings, commenced with a presentation describing the values of MHSA, the goals of the Capital Facilities (and Technological Needs) component, the State requirements, available funding, and the planning process. In addition, as the planning process progressed, participants were informed about the needs assessment, proposed strategies and feasibility. (For examples of MHSA outreach materials, see Capital Facilities and Technological Needs Component Proposal, Attachment B.)
- Establishment of a long-term vision: During the first Planning Council meeting on February 4th, 2009, participants were invited to think broadly about mental health facilities, and articulate the types of buildings that would be used in the future to promote wellness and recovery. Twenty-three people participated in this meeting. (See the Capital Facilities and Technological Needs Component Proposal Attachment C for the results of the long-term visioning exercise.) One component of the long-term vision that was articulated during this phase was “A centrally located administration building.” Also during this phase, the Wellness Center Advisory Board formally presented a proposal for a larger, more welcoming Wellness Center. (See the Capital Facilities and Technological Needs Component Proposal Attachment D for a copy of the Advisory Board proposal.)
- Community needs assessment: Prior to deeply investigating potential strategies, the Planning Team conducted 16 Stakeholder Interviews and 7 Focused Discussion Groups, which helped to identify a broad range of challenges and opportunities. At the second Planning Council Meeting on March 18,

2009, the Planning Team presented the needs assessment. (See the Capital Facilities and Technological Needs Component Proposal Attachment G for a copy of the comprehensive needs assessment.) At this meeting, the Planning Council voted to dedicate a significant portion of the MHSA-CFT allocation for the development and implementation of Electronic Health Records. Subsequent planning efforts focused on identifying the remaining capital facilities and technology strategies.

- Development of strategies: Also during the second Planning Council Meeting, participants identified a list of potential capital facility strategies that could help address the previously identified community needs. Following this meeting, the Planning Team facilitated a Strategy Roundtable with a small group of MCDMH staff, a County architect and consumer advocates to expand upon these capital facilities strategies and discuss feasibility. The Strategy Roundtable resulted in a list of 7 potential capital facilities strategies. (For a list of potential strategies and an initial feasibility assessment, see the Capital Facilities and Technological Needs Component Proposal Attachment H)
- Prioritization of strategies: During the Community Prioritization meeting on May 6, 2009, participants were asked to review the proposed strategies, and in small groups, recommend how to spend the remaining CFT funds. (A large portion of the initial CFT allocation had already been dedicated to funding the development and implementation of Electronic Health Records.) The Prioritization Meeting included an initial dot “voting” exercise, in which participants placed dots on their preferred strategies. Following this exercise, participants broke into small groups to discuss the budget and recommend strategies. The two prioritized capital facility strategies were:
 - Purchase and renovate 5-acre lot and existing church building for MCDMH administration and training/conference room.
 - Seek approvals to build a new administration building on vacant County-owned land adjacent to unused Juvenile Detention Facility.

Both of these strategies addressed the need for a permanent administration building, co-located next to Merced mental health services. The stakeholders agreed that the decision about which of these strategies to pursue would depend on a subsequent feasibility analysis. The feasibility analysis, conducted by Resource Development Associates, a County Architect, and the MCDMH Director and Administration Operations Manager, determined that the purchase of the Church Lot was the most reasonable option to pursue due to the following factors:

- Current low cost of real estate;
- Availability of an existing building that could serve short-term future administration needs;
- Abundance of opportunities for future development (5-acres);
- Availability of significant parking and infrastructure for future development; and
- Opportunity to secure additional land for long-term mental health service use.

- 2) *Explain how the proposed Capital Facilities Project supports the goals of the MHSA and the provision of programs/services contained in the County's Three year Plan including consistency with the County's approved Capital Facilities segment of the Capital Facilities and Technological Needs Component.*

This project supports MHSA goals by ensuring a permanent location for Mental Health administrative services, co-located next to MCDMH's main campus. MCDMH main campus also includes adult and child clinical services, dual-diagnosis services, Marie Green Psychiatric Health Facility, Adult Wellness Center and Transitional Age Youth Wellness Center. This proposed capital facilities project will greatly improve our programs by:

- **Increasing access between consumer and family members and administrative staff.** Currently, the administration is located nearly 3 miles from the MCDMH's main campus. Due to limited transportation options for many of our consumers and family members, the distance restricts access. Increased access will improve communications, accountability and knowledge.
- **Increase access between administrative and service delivery staff.** Communications between administrative and service delivery staff will be improved, increasing accountability, administrative knowledge of programs; and responsiveness to crises and service-related concerns.
- **Co-locating MHSA coordinators adjacent to MHSA projects such as Merced Wellness Centers.** Co-locating the Workforce Education and Training Coordinator and MHSA Coordinator next to the Wellness Centers will increase communications that lead to more valuable trainings and services.

By securing five acres of land, MCDMH is establishing a long-term vision of co-located services. As additional funding becomes available, the Church lot will provide ample space for growth. During the Community Prioritization Meeting, participants had this to say about the Capital Facilities Proposal:

- "The church space has potential for growth and parking. You can also grow a garden, something focus groups have requested."
- "Purchasing the church lot will move administration closer, localize services, and fiscal will be closer reducing transportation costs."
- "The church was built in a way that it could be easily expanded to meet our long term vision."

This Proposed Capital Facilities Project is entirely consistent with the Capital Facilities segment of the Capital Facilities and Technological Needs Component of the MHSA Three-Year Program and Expenditure Plan.

Exhibit 3

PROJECT DETAILS

Answer the following questions as appropriate to the Project Proposal

Project Title: Purchase 5-Acre Lot and Building for Co-Located Administration
Project Address: 1137 B Street
Merced, CA 95341

- 1) *Describe the type of building(s) and whether the building is being acquired with/without renovation or whether the Project is new construction.*

If the proposed building is being acquired and renovated, describe the prior use and ownership:

MCDMH proposes the purchase of a 5-acre lot and 4,200 square foot building on the northwest corner of Childs Avenue and B Street, in the City of Merced. The parcel is owned by Calvary Chapel of Merced LLC, and the building is presently being used as a church.

The current asking price for the lot is \$790,000. The owner has agreed not to exceed this amount. In addition to the current building, the parcel has ample parking, and infrastructure, including storm drains, pipelines, and power transformers, sufficient for an additional development. (The purchase price also includes architecture plans from Golden Valley Engineering, and approvals, for a 13,000 square foot building.)

The existing modular facility was built in 2004 and includes:

- A large open office area (approximately 1,700 sq ft)
- 6 offices (approximately 250 sq ft each)
- 2 restrooms
- Breakroom

Please see Attachment A for the existing building floor plan.

If the proposed project involves renovation of an existing facility, indicate whether it is County owned or owned by a private entity.

Currently the building is privately owned, but the proposal calls for County purchase and certification for dedicated MHSA use for a minimum of 20 years.

Describe the scope of the renovation and the method used to ensure that the costs of the renovation are reasonable and consistent with what a prudent buyer would incur. If privately owned, include a description of the private entity's efforts in determining the cost of renovation.

MCDMH foresees no major renovations necessary for immediate occupancy of this building following purchase. Prior to purchase, however, the County Public Works Department will conduct a full inspection of

the property. County Public Works will also be responsible for overseeing any renovations in future years. The Department has sufficient experience with such renovations to ensure costs remain reasonable. In addition, the owner and the County will select a mutually agreed upon private assessor to determine market value. Our purchase price will not exceed market value.

When the renovation is for treatment facilities, describe how the renovation will result in an expansion of the capacity/access to existing services or the provision of new services.

Not applicable. This facility will be used for administrative purposes only.

When the renovation is for administrative services, describe how the administrative offices augment/support the County's ability to provide programs/services, as set forth in the County's Three-Year Plan.

This proposal is not for costs of renovation. See Exhibit 2.2 for a description of how this Project supports the goals of the MHSA and the provision of programs/services contained in the County's Three year Plan.

When the Project involves renovation of a privately owned building, describe and explain the method used for protecting the County's capital interest in the renovation and use of the property.

Not applicable.

2) *Describe the intended purpose, including programs/services to be provided and the projected number of clients/individuals and families and the age groups to be served, if applicable.*

Not applicable. This Proposed Project is for administrative purposes.

3) *Provide a description of the Project location. If providing services to clients, describe the proximity to public transportation and the type of structures and property uses in the surrounding area.*

This Project will not be used for service delivery in the near future. However, future development on this lot will likely include service delivery. This parcel of land is located on the same block as Mental Health Services Buildings 1, 2, and 3, which house psychiatric outpatient and clinical services, the Access Team, medical records, quality assurance, children's system of care, the recovery program for transitional age youth, dual diagnosis adult services; and the Transitional Age Youth Wellness Center. One block north is the Marie Green Psychiatric Center and Adult Wellness Center. By purchasing this parcel of land, MCDMH will provide co-located mental health services and administration services with the capacity for future expansion.

The following Bus Routes have stops within a quarter mile of the Proposed Capital Facility Project.

- Route #1 – City Shopper 1 and Route # 2 City Shopper 2, which provides access to the Merced Transportation Center, Merced College, Merced High School, EDD, Target and the Merced Mall and Wal-Mart
- The “G” Street Shuttle, which offers access to the Merced Transportation Center and Merced College, Target and the Merced Mall
- Route #5 – Southeast Merced, which offers access from the Merced’s southeast neighborhoods, and to the Merced Transportation Center
- Route #9 –Le Grand, Planada, which offers service to the rural communities of Le Grand and Planada

In addition the proposed Capital Facilities Project is located within a quarter mile of a medical services complex with individual medical offices, an emergency room and Mercy Hospital. In addition, the Project is located next to the D-Street Homeless Shelter, the Public Health Department, and a large affordable housing complex with subsidized tenants, many of whom receive Mental Health Services.

- 4) *Describe whether the building(s) will be used exclusively to provide MHSA programs/services and supports or whether it will also be used for other purposes.*

This building will be used to provide MHSA and mental health supports exclusively. Mental health supports include supports for co-occurring services but no other AOD treatment services.

- 5) *Describe the steps the County will take to ensure the property/facility is maintained and will be used to provide MHSA programs/services and/or supports, for a minimum of twenty years.*

All County-owned buildings, including this proposed Capital Facilities Project, are maintained by the County Public Works Department. They are responsible for upkeep, maintenance, ensuring that they adhere to City and County building codes, and are CalOSHA and ADA compliant. As stipulated in the County Certification, Exhibit 1, this building will be dedicated to the provision of MHSA services for a minimum of 20 years. In addition, MCDMH currently holds four County-owned buildings and is in the process of purchasing a building in Los Banos. One of the properties, the 13th Street complex has two buildings that have provided mental health services for the past 30 years. The Marie Green Psychiatric Facility has been providing mental health services exclusively for 13 years. The County is committed to ongoing provision of mental health services at the proposed site.

Additional Information:

1) Leasing (Rent) to Own Building

Provide justification why “leasing (rent) to own” the property is needed in lieu of purchase. Include a detailed description of length and terms of lease prior to transfer of ownership to the County.

Not applicable.

2) Purchase of Land with No MHSA Funds Budgeted for Building/Construction

For purchase of land with no MHSA funds budgeted for construction/building, explain this choice and provide a timeline with expected sources of income for construction or purchasing of building upon this land and how this serves to increase the County's infrastructure.

This Proposal calls for the purchase of an existing building on a single parcel. The large lot size offers an advantage to the County and to MCDMH in the long-term, if additional funding becomes available. However no current plans exist to build another facility on the parcel.

3) Restrictive Settings

Submit specific facts and justifications that demonstrate the need for a building with a restrictive setting, as described on page 4. (Must be in accordance with WIC Section 5847 (a) (5))

Not applicable. This proposal is not for a restrictive setting.

Exhibit 4

CAPITAL FACILITIES PROJECT PROPOSAL FACT SHEET

Project Location

Name of Project: Purchase 5-Acre Lot and Building for Co-Located Administration
Project Address: 1137 B Street
Merced, CA 95341

Project Information

- ☐ New Construction
- ☒ Acquisition of an existing structure
- ☐ Acquisition and renovation of an existing structure
- ☐ Renovation of a County owned structure
- ☐ Renovation of a privately owned structure
- ☐ Purchase of Land
- ☐ Lease(rent) to own

Intended Use: Mental Health Administration Offices

- ☒ Mental Health only (Includes facilities for integrated mental health substance abuse treatment)
- ☐ Mental Health and other

Amount of Capital Facilities funds requested in this Project Proposal:	\$887,738
CSS Capital Facilities funds requested in this Project Proposal:	\$0
Total	\$887,738

Priority Population (please check all that apply)

- ☐ Children
- ☐ Transition Age Youth
- ☐ Adults
- ☐ Older Adults
- ☒ N/A (Office Space)

If applicable, projected number of mental health clients, including their families, to be served monthly: N/A

- ☐ Provide new services
- ☒ Expanded services

Please provide a brief description below

This project will expand our capacity to provide services by co-locating administration and services. Co-location will improve communications and create more efficient and accountable services and improve consumer and family access to MCDMH administration.

Exhibit 5

SAMPLE BUDGET SUMMARY

The Sample project budget allows Counties to summarize proposed expenditures for each Project by type of expenditure for each fiscal year. Based upon the Project a County may wish to submit a modified budget summary that more closely reflects the County Capital Facilities Project Proposal.

Expenditures and request for funds. Expenditures for proposed Project should be easily identified and related to the project description. Total estimated Project expenditures are offset by any estimated other funding sources to compute the net MHSA funding requirements. Complete a separate Project budget for each proposed project. The sum of all Project budgets should not exceed the total Capital Facilities and Technological Needs Planning Estimate identified for the County. MHSA funds dedicated to the Capital Facilities and Technological needs Component must be used within ten years or they will revert back to the State MHS Fund for redistribution to all Counties.

**EXHIBIT 5 –BUDGET SUMMARY (in Thousands \$)
For Each Capital Facilities Project Proposal**

County: Merced

Project Name: Purchase 5-Acre Lot and Building for Co-Located Administration

Category	(1) Capital Facilities Funds	(2) CSS Capital Facilities Funds	(3) Future Year Costs	(4) Total (1+2+3)	Estimated Annual Ongoing costs
Project Expenditures					
Acquisition of land and structure	\$790,000			\$790,000	
Renovation of Existing structure and landscaping					
Improved electrical wiring, landscaping, carpeting, interior painting, other costs following inspection	\$97,738			\$97,738	
Other Funding Sources (Non-MHSA)					
Ongoing operations, maintenance provided by the County Public Works department.					
Total Costs	\$887,738			\$887,738	

- *Provide information regarding ability to maintain and update the property/facility for the required time period. (Include proposed funding sources, capitalized reserves, etc.)*

All County-owned buildings, including this proposed Capital Facilities Project, are maintained by the County Public Works Department. They are responsible for upkeep, maintenance, ensuring that they adhere to City

and County building codes, and are CalOSHA and ADA compliant. The Public Works Department is committed to maintaining property for a minimum of 20 years and for the foreseeable future. Ongoing costs associated with building maintenance will be funded through MCDMH administrative line items for all programs associated with MHSA.

- *Describe what structure is in place to manage the Project and track usage, costs, maintenance, etc., over time (e.g. agreement with County Department of General services, contractor consultant, etc.)*

Project management will be the sole responsibility of the County Public Works Department, which tracks usage, costs and maintenance over time for all County-owned facilities.

Exhibit 6

SAMPLE PROJECT TIMELINE

Project Name: Purchase 5-Acre Lot and Building for Co-Located Administration

Site Address: 1137 B Street, Merced, CA 95341

Date: September 22, 2009

Both columns should be filled in with dates unless they do not apply to your Project. For instance, mark "NA" in the Start Date if the Development Step does not apply to your Project. (i.e., if acquisition: "Acquire building permit from building authority" will be N/A)

Development Step		Start Date (mm/dd/yy)	Completion Date (mm/dd/yy)
Community Program Planning Process	30-day circulation of draft	08/01/09	08/31/09
	Public hearing, if required	09/01/09	09/01/10
Acquire development site or <u>facility</u> through purchase		01/01/10	01/01/10
Acquire building permit from building authority		NA	NA
Financing closing		NA	NA
Construction contract execution		NA	NA
Construction/Renovation completion		NA	NA
Acquire Certificate of Occupancy (submit legible copy)		NA	NA
Occupancy start up		03/01/10	03/01/10
Other			

Attachment A: Floor Plan



