

## FAQ

### BHCIP Launch Ready

#### 1. Question: What does it mean to be “launch ready”?

For purposes of BHCIP Round 3 funding, a project is defined as “launch ready” when some essential pre-development design, planning, site control, and budgeting details have been professionally formalized, and the project meets the minimum requirements listed below, but the project team has not yet issued an official notice to proceed, and construction has not yet started. A notice to proceed is a formal notification to the construction teams to begin work on a project.

The intent of these resources is to supplement, not supplant, existing funding resources or funding commitments. Specifically, DHCS defines the following minimum threshold requirements to demonstrate a project is launch ready, and therefore eligible for BHCIP Round 2 funding:

- a. Site control established (with deed, PSA, option contract, LOI, leasehold);
- b. Site plan established (schematic plan with architectural and engineering specifications);
- c. Stakeholder support established (letter from city/county/board of directors);
- d. Match amount Identified (equity, dept, donation, or in-kind with documentation);
- e. Initial budget established (based on schematic site plan);
- f. Development team established (as needed: attorney, architect, design-build team);
- g. Ability to gain building permits within 6 months of funding;
- h. Ability to close on land, after gaining building permits, within 6 months of funding; and
- i. Ability to start construction within 6 months of grant funding.

A project may be deemed “more” launch ready than other projects by demonstrating any or all of the following, in addition to the above requirements:

- a. Ownership of real estate site
- b. Preliminary plan review completed, with comments received
- c. Construction drawings complete or near completion
- d. General contractor (builder) selected and ready for hire
- e. 95% construction drawings ready for submission for building permit
- f. Building permit Issued
- g. Able to start construction within 60 days or less

Generally, a project that has an official “notice to proceed” is not eligible for BCHIP Round 3 funding. Exceptions may be made for a project that is in default or has a demonstrated capital shortfall. Such applications will be reviewed on a case-by-case basis.



2. What is the maximum grant amount a provider can apply for?

There is no limit on the amount a provider can apply for. However, there are regional funding limits for both the BHCIP and CCE programs, listed on page 8 of the joint RFA, and match requirements, listed on page 14. Funding requests must be for reasonable amounts as compared to similar projects in the same region.

3. We've already received funding through one of the other rounds of BHCIP grants. Are we allowed to apply for this funding as well?

Yes. Recipients of Mobile Crisis (Round 1) and County and/or Tribal Planning (Round 2) grants are eligible to apply for a Launch Ready (Round 3) grant.

4. Our organization applied for but did not receive Round 2 Planning grant funds. Are we still eligible to apply for a Launch Ready grant?

Yes.

5. Do funds received from this round have to be used for the same project that we focused on in our Planning Grant?

No. While counties and tribal entities have funding through the Round 2 Planning grant for planning efforts, we recognize that plans can change through the planning process.

6. I would like to use BHCIP and CCE funds on four separate projects. Do I need to submit a separate application for each project?

Yes. Please complete a separate application and budget, as well as a separate pre-application consultation survey, for each project for which you are requesting funding. We will review each application independently.

7. What is a pre-application consultation?

All Launch Ready grant applicants are required to engage in a pre-application consultation before applying. The consultation will provide an opportunity to discuss proposed projects, match requirements and potential sources, statutory and regulatory concerns, how the project addresses the state priorities, and related considerations. These pre-application consultations will be provided by technical assistance (TA) specialists, including staff from Community Development Financial Institutions (CDFIs) and real estate development experts engaged by Advocates for Human Potential, Inc. (AHP). For more information on pre-application consultations and TA, visit <https://www.infrastructure.buildingcalhhs.com/training-and-technical-assistance/>.

8. Is it possible to speak with someone about my particular project?

Yes. Please fill out a pre-application consultation survey at <https://www.infrastructure.buildingcalhhs.com/training-and-technical-assistance/>, which will capture most of your needs and help TA specialists answer your questions. Keep in mind that the survey is not the actual application, but a first step in the process. If you have questions about the survey, email them to [bhcip.cce.info@ahpnet.com](mailto:bhcip.cce.info@ahpnet.com). You will find recorded webinars



and other TA to support you with the application process at <https://www.infrastructure.buildingcalhhs.com/>.

9. When is the Launch Ready grant application due?

The completed application and budget, along with all required attachments, are due no later than Thursday, March 31, 2022, at 5:00 p.m. PT (Part One), and Tuesday, May 31, 2022, at 5:00 p.m. PT (Part Two).

10. What's the difference between the two parts?

Part One is intended for entities that are prepared to submit the application and attachments by March 31. Part One applicants will receive priority—any funds not awarded in Part One will be available for Part Two applicants. Part One applicants will be evaluated competitively against each other; the same will be true for Part Two applicants.

11. Is there a limit to the number of BHCIP grants I can apply for or be awarded?

There is no limit to the number of grants you may apply for and be awarded, as long as you qualify for the specific round of funding. The awarding of grants will depend on the funding round, state priorities, and the number of applications received for each round.

12. Should we submit multiple pre-application consultation requests if we have multiple projects? Should we submit multiple applications?

Yes. Applications will be accepted on a project basis and a pre-application consultation is required for each application. A separate code will be needed for each project you apply for; you will receive that code as part of the pre-application consultation.

13. My organization provides services in more than one county or region. Is it eligible for BHCIP funds?

Yes, it is. We ask that you please complete an application for each site you are considering for expansion.

14. We are a behavioral health (BH) facility that serves individuals in more than one county. Which region do we identify in our application?

The facility's address determines the region for the application.

15. Can both facility infrastructure and behavioral health services be included in the intended use of the grant funds?

No. BHCIP grant funds must be used only for expanding the state's behavioral health facility infrastructure.

16. My facility is interested in funds to purchase vehicles. Would that be covered under BHCIP?

No. This round of BHCIP funding is focused on infrastructure, meaning buildings and related facilities. Although new vehicles may be part of a facility's capital improvement, in this context they are not included.



17. How do match requirements work for co-applicants?

For-profit providers who partner with tribes, counties, cities, or nonprofit providers will be eligible for the lower match requirement. If a private organization has a collaboration with a county, for example, the project qualifies for the county match requirement amount (10%), as long as supporting documentation is submitted.

18. If an applicant has equity in a residential structure, are they allowed to use that equity as match?

No. Equity is not an allowable source of match. However, the applicant may choose to take out an equity loan, and that cash is an allowable form of match.

19. Please explain funding for new developments, in particular match. For example, suppose I'm purchasing an \$8 million property to develop a behavioral health facility, a project that will cost \$20 million total. If I have to supply a 25 percent match, equal to \$5 million, does my purchase of the land (valued at \$8 million) satisfy my match requirement?

Yes. Match in the form of real property for development is acceptable. If you have purchased the property and have title in hand, and plan to construct or develop on it, you may use the value of the property as match to your grant request. If you don't have title to the property but you are able to meet the definition of site control as provided in the RFA (section 3.4), you must provide a written appraisal to verify the value of the property.

20. What kinds of projects are private organizations invited to apply for?

Private organizations may be involved in any of the eligible project types. Any private organization would be expected to have a collaboration agreement or contract in place with a provider.

There could be scenarios where the private organization is the applicant for funding and would be the owner, in whole or in part, of the land and/or the final construction. If the private organization is, in fact, the applicant, the evaluation process will pay particular attention to the agreement(s) made with provider(s) to ensure that the finished facility will be used for the intended purpose for the required number of years. Also in this case, the match requirements for the funding will be at the same level as they would for a for-profit provider.

21. The RFA says we need to "make a commitment to serve Medi-Cal beneficiaries." What does that mean, exactly? Does there have to be a certain number or percentage of people we serve who receive Medi-Cal?

Serving this population is a requirement of the BHCIP funding. In the application, you will be asked to state the number of Medi-Cal recipients you currently serve, as well as the number you would serve if you were to complete your proposed project. There is not a certain percentage required; however, the percentage served will be evaluated in the scoring of applications.

22. If my organization applies for a grant in a certain amount, are we guaranteed to receive exactly that amount if we are awarded funds? Will DHCS ever give a partial award?



Depending on the applications received, their project locations, allowable expenditures, the amount of funds requested, and funding available, DHCS may choose to fund only part of an application. In that case, DHCS would reach out to the potential awardee to determine their interest in receiving a smaller amount than originally requested.

23. Are private (not nonprofit or nongovernmental) organizations eligible to apply for BHCIP Launch Ready grants?

Yes. For-profit organizations and other private organizations—including private real estate developers—whose projects reflect the state’s priorities are eligible to apply for these funds. For more details on eligibility criteria for these entities, please see page 11 of the joint RFA.

24. For private organization applicants, what level of community support and engagement is expected beyond the applicant CEO and/or board?

Stakeholder engagement at the local level is very important to the success of the project and a requirement for funding.

25. We would like to expand our current facility to serve more people, as well as purchase property across town for a second facility. Should we submit one application or two?

Applications will be accepted on a project basis. These would be viewed as two separate projects, so two applications would be required.

26. I’d like to do some repairs to get my facility up to licensing standards. Can I apply for rehabilitation funding now?

No. There are no BHCIP funds available for facility repairs.

27. How do I know if my facility qualifies as a community wellness center?

For purposes of this funding, a wellness center must focus exclusively on serving individuals with behavioral health conditions, with a commitment to serve Medi-Cal beneficiaries, and offers some or all of the following:

- A comprehensive program of mental health services in an outpatient setting, including preventive services, screening, diagnosis, and treatment/management of mental health and substance use disorders (SUDs)
- Community support groups for people with mental health and SUDs, including traditional healing activities (talking circles)
- Health education, including on mental health and/or SUDs
- Service navigation and enabling services such as case management/care coordination, transportation, and translation services
- Wellness classes including meditation, fitness, healthy cooking, relaxation strategies, caregiver support, cultural activities, workforce development, and community wellness events
- Outpatient clinical services including mental health/SUD screening, diagnosis, and treatment/management



28. We are a BH facility that is exploring options to expand our outpatient clinic. Can we apply for pre-development funds?

No. There are no pre-development funds available for facilities under this round of BHCIP funding.

29. If a project is already in progress and the applicant is willing to serve the target population(s) and be bound by the service and use requirements, can construction costs already incurred be reimbursed?

No. Funding may not be used for “reimbursement.” Only those costs that can be associated with completing the project (for example, adding an ADA-compliant walkway, widened doorways, etc.) would be eligible costs, per the Welfare and Institutions Code, Section 5960.15 : “An entity shall meet all of the following conditions in order to receive grant funds pursuant to Section 5960.05, to the extent applicable and as required by the department: . . . (b) Expend funds to supplement and not supplant existing funds to construct, acquire, and rehabilitate real estate assets.”

30. What kinds of data do applicants need to provide to demonstrate project need?

Available regional data can be used to demonstrate project need. As outlined in the RFA, this might include a local county/tribal/provider needs assessment, a facility wait list, or the number of comparable facilities in the area, for example. Applicants are also advised to review the resources on the [joint RFA page](#), and in particular the DHCS report “Assessing the Continuum of Care for Behavioral Health Services in California: Data, Stakeholder Perspectives, and Implications,” which is linked there.

31. How will grant award announcements be made?

All applicants will be directly notified whether or not they received a grant award. In addition, grant award announcements will be posted on the [BHCIP website](#).

