

Questions and Answers for RFF 2023-012: Capital Expenses for Recovery Residences

Question	Response
Are (we) eligible to apply for this funding if we were awarded funding through the Opioid Settlement Match Grant?	Yes, however the proposed project cannot be the same project awarded in the Match Grant.
Does capital expenditure include EHR investment?	No, this would be considered an operational cost and is therefore deemed unallowable.
Can we rehab a current DMHA recovery house with this funding?	Yes, but only if the project adds beds to a house. Renovations that do not add beds to the current capacity will not be considered.
In the project description, the RFP states that allowable costs may include the purchase of property, construction of a recovery residence, or renovation of a building. In the Funding section of the RFP, it states that funds may only be used to add bed capacity in currently operational houses. Can you please clarify?	If the capital expense is for a house currently in operation, the expense must add to the bed capacity.
All capital expenditures must be completed, and an open date secured by the end of the grant period. Does this mean that the recovery house must open no later than 9/30/24 or just that an opening date is established? Will there be consideration for materials or construction delays that are out of our control?	An opening date must be set by September 30, 2024. The actual opening day must be before December 31, 2024.
What kinds of applicants would be considered "qualified community organizations" as mentioned in the RFF? For instance, could they include nonprofit organizations, government agencies, or entities in the private sector?	This refers to reputable organizations that serve people in their community in a reputable manner. This organization should be able to show that they can and are providing quality recovery services to their community. There are no restrictions for government agencies, non profits or private sector as long as the organization has roots in the community.
Would the purchase of land and then the construction of a new facility fall under the requirements for this award	These would be allowable expenses. Please provide justification in your proposal and budget narratives.
Under the operation plan, it says it should include a statement attesting the recovery residence will be accepting of residents on all three. Is this statement supposed to be from our organization, from our Executive Director?	This statement should come from organization leadership. In addition to this, you should include letters from providers who can provide all forms of MOUD to your clients.
(Regarding letters of support)Is this talking about financial support or organizations that will support in other ways. We have organizations that fall under both and just want to make sure I am getting it right.	Both financial supports and organizational support would meet this criteria. These letters of support should further justify how the recovery residence will operate successfully.
Will we be considered if we are not a 501c3?	There are no restrictions for for-profit applicants.
Since we are not currently certified, but in the process of applying, does that disqualify us from applying for this funding?	Please detail in your proposal steps being taken to become certified. This will be taken into consideration while scoring your proposal.
Can the property be leased, if the responsibility for construction costs falls on the CMO. If so, is it okay if it is purchased prior to Oct 1 if the lease is after Oct 1?	Leasing or renting a building is not an acceptable capital expense. The applicant and/or partnering organization must be willing to own the property. No reimbursable activities should begin until October 1, 2023 if the organization is awarded.
Would we qualify since we do provide substance abuse treatment services in the form of case management, collaboration with local providers, and providing resources for both in-patient and outpatient services during their stay and after-care counseling? We act as a liaison and case management provider and provide accountability for our residents. We plan to have CHW certified staff, as well as recovery coaches as well as plan on having classes/meetings in-house. We do not operate a residence specific to recovery only, as some of our residents may not have substance abuse issues.	DMHA will only fund capital expenses for or towards a DMHA-certified Level II, III, or IV recovery residence. The residence must be a dedicated space for this purpose only.

If we do qualify, do we have to apply through local government (city/county) or could we apply directly?	You do not have to apply through a local government.
We are not a certified recovery residence, but would apply for this certification, or apply under the umbrella of a local residence which we are directly partnered with. I am assuming this would be allowed (pending we qualify to apply)?	Please see the necessary requirements for becoming a DMHA-certified recovery residence at this link: https://www.in.gov/fssa/dmha/recovery-residence-certification/
If awarded the grant, will we still be required to have the housing operational with residents for at least 30 days and have at least 40% occupancy before we can be approved, or will this be waived due to the amount of time we have been given for this grant.	The RFF stipulates the home must be DMHA-certified within 90 days of opening. DMHA will work with awarded vendors on steps to becoming DMHA certified.
If awarded this grant, will we still be able to apply for the upcoming Peer Recovery Grant.	Yes, but the proposed project may not be the same project awarded in the Match Grant or the Capital Expenses grant.
Can the purchase price of a recently purchased building/house be included in the grant proposal?	Purchases prior to October 1, 2023, will not be covered in the grant.
Is a grant writer required or encouraged to complete the proposal?	DMHA encourages organizations to use whatever tools are necessary to submit a quality proposal, however, a grant writer is not required.
Within the 5 year grant commitment time frame. Can the property be sold or deeded to another entity that will continue as a Recovery Residence?	DMHA will work with vendors on adhering to the 5-year time commitment. If a change in ownership is planned, please make this clear in the proposal.
Are any of the following allowable costs: (We are completely renovating an existing building to create a recovery residence) A security system Commercial kitchen appliances Required exhaust hood Parking lot paving	Appliances, pavement, and security systems are not allowable expenses in this grant. Fixtures and Fittings (sinks, toilets, etc...) to make the residence a livable space may be allowable and justification should be included in your proposal on how this will increase bed capacity.
Re the stated maximum allowable request of \$34,000 per bed: Does this apply only to requested DMHA funds? We plan to completely renovate a structure to create a new recovery residence. The purchase and construction costs will far exceed \$34,000 x the number of proposed beds. But we have additional funding planned. Is this allowable?	DMHA will only fund \$34,000 per added bed. Additional matching funds can be used to fill a gap in funding.
And, if so, how should this be shown in the budget? We could include an income and expense budget, with the total expenses being accounted for, and a portion of that being funded by DMHA. Would this be acceptable?	Please show these matching funds in the match column of the budget as well as in your proposal and budget narratives.
We have an \$850,000 project to build a new recovery residence for women. We have not started the project yet. We received \$500,000 from the Federal Home Loan Bank of Indianapolis. I'd like to apply for a portion of the \$350,000 delta in this recovery residence grant. Would this specific project be eligible?	DMHA will need documentation of the loan being secured and may be used as matching funds to cover the delta. DMHA will not reimburse for a loan secured prior to October 1, 2023.
We have community partners asking us to be the lead applicant for new houses in different counties since we are already Recovery Works certified. Can we submit separate proposals for different counties? Will all applications be considered if they are viable.	As per the RFF document, applicants may bundle several projects into one proposal. However, DMHA is limiting a max award of \$750,000 per lead applicant.
Will the slides or a recording of the information session hosted on July 7th be posted to the website?	The recording will not be posted on the DMHA website. All relevant information can be found on the RFF document or this Q&A document.

Are applicants that are currently a Level II, III, or IV residence eligible to apply to renovate and expand the number of beds available? Or is this opportunity only for applicants that are not currently certified?	Applicants who currently operate DMHA certified recovery residences are welcome to apply. DMHA will only fund projects that add to the bed capacity in currently operational houses.
Can funds be used to cover soft costs associated with the capital project such as project manager fees, permit fees, design fees, etc?	Yes, please provide justification in the budget and proposal narratives. This should include how these costs will result in increased bed capacity.
Can you elaborate on how detailed the itemized budget needs to be? Can costs be per/square foot or do they need to be more specific?	Please provide as much relevant detail as possible. The RFF review team will need all the relevant information as to how costs were calculated in order to make a decision.
Would an intent to purchase agreement work for proof?	The RFF states that at least one (1) independent quote must be obtained and submitted with your proposal. If awarded, DMHA will work with the awardees to determine documentation for reimbursement.
In the webinar it was stated we should be 'pursuing a mortgage'. What documents do you need for proof of that requirement?	The mechanisms for the applicant to purchase the home should be detailed in the proposal. DMHA will not reimburse for loans or activities that take place before October 1, 2023. DMHA will reimburse for these capital costs with a max of \$750,000 per lead applicant.
(Recovery Residence) only does housing for Recovery Works, therefore we have never applied or needed a Medicaid number. Are we required to have this? We are already a Recovery Works provider. I was thinking that was only a treatment provider requirement, not a housing provider requirement.	A Medicaid number is not required to submit your proposal. Only level IV residences are required to become a Medicaid provider. The recovery residence must become a Recovery Works provider after opening.
We are thinking of two new homes. Can we bundle in the same proposal or should we do two proposals?	Bundling of projects onto one proposal is acceptable if the proposed projects are close enough in scope and location that they can be combined within the page limits. DMHA will only award a maximum of \$750,000 per lead applicant.
We have a partner in (an Indiana county) who has established a 501 c3. They are working to secure the facility and costs to open a (recovery residence), same model as what we did in (an Indiana county). They are wanting to make sure that they are eligible to apply as the requesting entity, or if they must be the actual service provider to apply? (We) will provide a LOS, etc. to demonstrate our commitment to this project.	This should be acceptable if that organization chooses to be the lead applicant on the proposal. The relationship to the provider should be outlined in the operational plan. The proposed project cannot be the same project awarded in the Match Grant.
How does the state of Indiana tax this type of property? Property tax status/exemptions? For example, if a property is considered a single-family home and not a rental per say, but it's not owner occupied. How does the state recognize this type of property?	DMHA is not a tax advisor. These considerations should be researched by the applicant to determine if this is a suitable venture. DMHA is only funding capital expenses for recovery residences.
If awarded funding, do we submit the invoice for renovations/repairs and the state pays the grantee to then pay the contractor? Or, does the grantee need to pay for renovations/repairs upfront and then subsequently submit an invoice to FSSA for reimbursement?	Organizations awarded a grant are responsible for the financial obligation to the sub awardees/contractors. The grant will be reimbursement based.
Are appliances considered part of renovation costs? Fridge, stove, washer, dryer, OR system, water softener?	Appliances and equipment are not allowable costs. Fixtures and Fittings (sinks, toilets, etc.) to make the residence a livable space may be allowable, and justification should be included in your proposal on how this will increase bed capacity.
Will grantees who already serve within a certain County get preference over other applicants who don't currently operate in that same county (but are applying to expand into that County)?	Proposals will be judged based on the merits of the proposal AND the likelihood of the respondent being able to operate a successful recovery residence.

<p>Would the state put liens against the house before the committed 5-year period is up under certain circumstances? What if there is a default within those 5 years? How is the state handling that if something happens to the owner or business?</p>	<p>Accountability measures have not yet been determined but will be prepared at the time of award. If the respondent feels like the 5-year commitment may become an issue, you may want to reevaluate this as a suitable venture.</p>
<p>If awarded, is there a contract between the grantee and state and what are the terms and conditions of that contract within the 5 year period?</p>	<p>Accountability measures have not yet been determined but will be prepared at the time of award. If the respondent feels like the 5-year commitment may become an issue, you may want to reevaluate this as a suitable venture.</p>
<p>If awarded, how does the house get titled?</p>	<p>DMHA does not plan to involve itself in the titling process. These considerations should be researched by the applicant to determine if this is a suitable venture. DMHA is only funding capital expenses for recovery residences.</p>
<p>If awarded, does the owner/organization obtain a mortgage and then the state reimburses once approved? How does that work? o For example: The grantee has an identified property, and is approved to purchase a house -- the grantee secures the loan from a bank, and then state reimburses the sale price of home, is that correct?</p>	<p>The mechanisms for the applicant to purchase the home should be detailed in the proposal. DMHA will not reimburse for loans or activities that take place before October 1, 2023. DMHA will reimburse for these capital costs with a max of \$750,000 per lead applicant.</p>
<p>What if the grantee puts an offer on a home contingent on funding from State in July with a 60-day closing to secure the property; will funds be available for release Oct 1st on the start date of the project or could it be sooner in September? How soon will the monies be released so the grantee knows when to put a closing date on the purchase agreement? The seller is going to want to know this.</p>	<p>The mechanisms for the applicant to purchase the home should be detailed in the proposal. DMHA will not reimburse for loans or activities that take place before October 1, 2023. DMHA will reimburse for these capital costs with a max of \$750,000 per lead applicant. Any action taken prior to a contract being executed by the State is considered AT RISK and may not be advisable.</p>
<p>Are you taking the purchase agreement and giving funds to the title company until closing? And how are the funds transferred to the funding account for the grantee? What's the process for the grantee to then acquire the property? What we don't want to have happen is the identified property going into pending status by a regular consumer if we could have put an offer on the house with contingencies.</p>	<p>The mechanisms for the applicant to purchase the home should be detailed in the proposal. DMHA will not reimburse for loans or activities that take place before October 1, 2023. DMHA will reimburse for these capital costs with a max of \$750,000 per lead applicant. Any action taken prior to a contract being executed by the State is considered AT RISK and may not be advisable.</p>
<p>Is it possible under our Community Corrections program to certify under a level II, level III, or IV residence under DMHA, enroll as a Recovery Works provider for our design of a recovery residence program attached in a separate building from our work release program? This would be serving our Community Corrections participants in alternative sentencing programming as a possible step down from work release, alternative housing for Electronic Home Detention (indigent/homeless), Community Transition Program early release from IDOC incarceration and possibly for indigent pretrial who can not afford to bond out and/or homeless?</p>	<p>This may be possible, but the recovery residence should be as "home-like" as possible. Please provide details about this in your proposal. Questions regarding becoming a Recovery Works provider can be found here: https://www.in.gov/fssa/dmha/recovery-works/</p>
<p>I just came across the capitol grant opportunity for recovery residences (RFF-2023-012) this weekend and saw there was an informational session on July 7th. Do you know if that session was recorded and if so is it available to review?</p>	<p>The recording will not be posted on the DMHA website. All relevant information can be found on the RFF document or this Q&A document.</p>
<p>Can you explain further what makes an organization qualified? Specifically wanting to know an organization in its infancy could potentially qualify.</p>	<p>This refers to reputable organizations that serve people in their community in a reputable manner. This organization should be able to show that they can and are providing quality recovery services to their community. There are no restrictions for government agencies, non profits or private sector as long as the organization has roots in the community.</p>

<p>My husband and I are both Registered Nurses and are currently in the process of establishing nonprofit status to provide recovery housing that does align with the project description of this grant opportunity. We do not currently have a recovery residence open and operating to prove success but we do have many other things we bring to the table such as our professional experience, connections to providers and other community organizations along with a strong personal passion from past experiences with loved ones. Would we still be encouraged to apply or would we not meet the "qualified community organizations" by not having an established history? I do see the criteria checklist and section 4 where it would be harder to obtain those points and stay competitive.</p>	<p>DMHA encourages proposals from qualified community organizations that can show proficiency in providing recovery services in their community. Proposals will be judged based on the merits of the proposal AND the likelihood of the respondent being able to operate a successful recovery residence.</p>
<p>Are there certain counties that are in more need than others and would location play a part in the decision? This question is of interest aside from the grant as we are currently looking at properties. We live in Hamilton County but would be open to looking at other counties if there is a greater need.</p>	<p>Proposals will be judged based on the merits of the proposal AND the likelihood of the respondent being able to operate a successful recovery residence.</p>
<p>Can an organization be the lead applicant who is not Recovery Works certified to build and own the home and collaborate with another organization who is Recovery Works certified to certify and operate the house?</p>	<p>The organization operating the recovery residence will need to become a Recovery Works provider. If the operating organization is different than the organization that owns the home, this will need to be explained in as much detail as possible in your proposal.</p>
<p>In the first round of state opioid funding we received \$300k . \$100k for furnishings and \$200k for building purchase and/or construction costs. We still need money to fully fund the project and have zero debt. Can we apply for more funds in this round? If yes, will our application be discounted in some way because we received funding in round 1?</p>	<p>Projects that were awarded for the Opioid Settlement Match Grant RFF-2023-007 are not eligible for the Capital Expenses Grant RFF 2023-012.</p>
<p>In this statement "Funds may only be used to add bed capacity in currently operational houses." Does this mean no funds can be requested to start a NEW recovery residence? If that answer is no, what if the recovery residence was considered a satellite location of an existing organization already providing services in another location such as Indy. Columbus would be the satellite location for Indy operations.</p>	<p>Allowable costs may include the purchase of property, construction of a recovery residence, or renovation of a building to become an operational, DMHA-certified Level II, III, or IV recovery residence. Any renovations for an existing, operational recovery residence must result in an increased bed capacity. Example: Adding an addition to the current residence is allowable if it adds bed capacity.</p>
<p>Are there bonus points for having a community wide application (ex: multiple organizations together from one county) v/s each organization in the county applying on their own?</p>	<p>Proposals will be judged based on the merits of the proposal AND the likelihood of the respondent being able to operate a successful recovery residence. Bonus points will not be awarded.</p>
<p>For the \$750,000 cap on the grant request, is that cap by county or applying agency? For example – can two different organizations in the same county each apply for the grant even though their sum total of requests will be more than \$750,000 ? Ex: one organization does a grant for Level II recovery residence and one organization does a request for Level IV residence? Specifically, in Bartholomew County our Level IV 15 bed request could be up to \$510,000 . The Level II request may be just as high. Collectively we would be over \$750k. Is this allowable?</p>	<p>As per the RFF document, applicants may bundle several projects into one proposal. However, DMHA is limiting a max award of \$750,000 per lead applicant.</p>

In the grant application you say your application should have “ Independent quotes for at least one (1) identified property/building”. In this sentence does “identified property/building” mean we have to own the property prior to application? Our planning commission leader said any recovery residence property for our 15 bed Level IV facility will require a hearing because it will be a conditional use, shared housing facility. Consequently we will have to put in a contingent offer on a property, go thru zoning for approval, and then once approved we can close. This will take 2-3 months from start to finish to acquire a property. We are narrowing our list of final properties to choose from but still need to go through zoning.	Allowable costs may include the purchase of property, construction of a recovery residence, or renovation of a building to become an operational, DMHA-certified Level II, III, or IV recovery residence. It is not required that the applicant already own the building/property at the time of submission. If awarded, the grant will not cover any purchase or activities prior to October 1, 2023.
Will the RCO Certification designation qualify applicants as a Recovery Works provider or will there be additional steps required?	Questions regarding becoming a Recovery Works provider can be found here: https://www.in.gov/fssa/dmha/recovery-works/
Are faith based organizations qualified? No faith requirements will be forced on anyone in the home but will be offered.	There are no restrictions for faith-based organizations.
Can other community partners bill recovery works peer services for providing peer support to eligible tenants?	DMHA will only be funding capital expenses with this grant opportunity. Proposals will be judged based on the merits of the proposal AND the likelihood of the respondent being able to operate a successful recovery residence. Questions about Recovery Works billing guidelines can be found at: https://www.in.gov/fssa/dmha/recovery-works/
Can you fund a closing? Can a property closing settlement be submitted as a claim and the reimbursement used close escrow?	Closing costs are an allowable expense. DMHA will not reimburse for loans or activities that take place before October 1, 2023.
Are realtor fees allowable costs? Any maximum percentage?	These would be allowable expenses. Please see the sample budget template
Can an existing for-profit DMHA Recovery Works provider be the lead applicant?	This is acceptable.
House is purchased with a line of credit. Can short term financing cost be allowed for reimbursement?	The mechanisms for the applicant to purchase the home should be detailed in the proposal. DMHA will not reimburse for loans or activities that take place before October 1, 2023. DMHA will reimburse for these capital costs with a max of \$750,000 per lead applicant.
The properties that we are looking at are listed on the MLS, what happens if between the time that we submit our application and the time that we are awarded, the particular property that we wanted to purchase is no longer available? Can we use the funds to purchase a similar property for the same use/price per bed?	DMHA will work with awardees if the proposed property becomes unavailable to identify a suitable replacement for the amount proposed.
When purchasing the property, whose name is listed on the property?	The mechanisms for the applicant to purchase the home should be detailed in the proposal. The organization will need own the property.
Will there be a contract between us (beyond the typical RFF contract)? What will that look like? Since there are requirements for operating at least 5 years.	DMHA will negotiate contract details with awardees after the awards have been made. Contracts will be reimbursement based and reimburseable at actual cost.
What happens if we have to close down in 3 years from now for reasons out of our control? Is there a contingency in a contract for that?	Awardees will be required to sign a binding agreement to operate the recovery residence for at least five (5) years. If your organization were to default on that agreement, whether by conduct or dissolution, the organization may be required to pay the grant dollars back to DMHA.
We currently operate a treatment center with withdrawal management (ASAM 3.5), residential treatment (ASAM 3.5), residential services (3.1), and IOT. At this time, we do not have recovery residence beds. Are we eligible to apply for funding to add recovery residence beds to our facility?	Your organization would be eligible to apply. Questions about qualifications for DMHA certified Recovery Residences can be found at https://www.in.gov/fssa/dmha/addiction-services/recovery-residence-certification/ .

Checklist of administrative and zoning procedures could this be explained in detailed further, we just need clarity.	Zoning and building codes vary by each locality awardees are responsible for meeting all state and local requirements. DMHA does not provide technical assistance on these requirements.
What happens if vendors change during the review period? For example, we receive a quote for one property, however, we later find a more compatible/cost efficient property after we submit our application?	DMHA will work with awardees if the proposed property becomes unavailable to identify a suitable replacement for the amount proposed.
What do you mean by "sustainably acquire a suitable structure for a DMHA-certified recovery residence"?	This refers to all activities necessary to own a building that is suitable or can be made suitable to become a DMHA certified recovery residence.
Can the RFF funds be used to pay lease costs for apartments leased for recovery residences?	Leasing or renting a building is not an acceptable capital expense. The applicant and/or partnering organization must be willing to own the property.
If I am approved for the grant and have made arrangements with the seller of the house can I just use the grant funds instead of getting a loan for the home in question.	DMHA will negotiate contract details with awardees after the awards have been made. Contracts will be reimbursement based and reimbursable at actual cost.
If locations are bundled into one proposal, is the max still \$750,000? If the answer is yes, can we choose to separate projects into multiple proposals even if they are similar in scope and location?	As per the RFF document, applicants may bundle several projects into one proposal. However, DMHA is limiting a max award of \$750,000 per lead applicant. If the applicant submits multiple proposals as the lead applicant, the review committee will enforce the \$750k cap.
If a CMHC is not currently an approved Opioid Treatment Program and therefore is not currently allowed to provide methadone as a type of medication assisted treatment, can we still apply with the intent to complete the requirements to become an OTP within the project period?	As per the RFF document, proposals should include letters of collaboration from providers who can offer all three (3) forms of medication for opioid use disorder are required. More than one (1) such letter is acceptable to meet this requirement. If the responding agency does not prescribe methadone (only an OTP can do so for opioid use disorder), the proposal must include letters of collaboration with an OTP that can do so. DMHA will not consider the possibility of a partner becoming an OTP as a substitute for a letter of collaboration from a current OTP.
If we received a previous Opioid Settlement Funding for another County (Delaware). Can we apply for this funding in another Jay County.?	This would be acceptable, but it may not be the same project that was funded in the Opioid Settlement Match Grant.
If we identify a prospective property and complete our bids but it sells to another party. Will FSSA take into consideration another property?	DMHA will work with awardees if the proposed property becomes unavailable to identify a suitable replacement for the amount proposed.
If we have identified a property, purchase the property, and remodel a portion of the property; would we be in compliance of the funding request if we are within the increase of each bed for \$34,000? In other words if our budget is \$750,000 and we increase the beds by 22 would we be in compliance of the grant OR would an entire building/property have to be utilized?	As per the RFF document, allowable costs may include the purchase of property, construction of a recovery residence, or renovation of a building to become an operational, DMHA-certified Level II, III, or IV recovery residence. The capital expenditures towards a recovery residence may not exceed \$34,000 per added bed. This funding opportunity is not applicable to staffing or operational costs. The maximum award amount for respondents is \$750,000. The \$34,000 per bed rate is applicable to all costs, not just renovations.