§ 41.37 Community residence and residential treatment facility for children and youth development grants.

(a) The commissioner of the office of mental health or the commissioner of the office for people with developmental disabilities is authorized, within appropriations made therefor, to make grants to local governmental units and voluntary nonprofit agencies developing a community residence as defined in subdivision twenty-eight of section 1.03 of this chapter. The commissioner of the office of mental health is authorized, within appropriations made therefor, to make grants to voluntary nonprofit agencies developing a residential treatment facility for children and youth. Such grants shall be limited to the development costs incurred prior to the operation of a community residence or a residential treatment facility for children and youth, or for development costs incurred to expand the capacity to provide services at such residences and facilities.

Development costs which may be eligible for up to one hundred percent reimbursement under this grant include:

1. reasonable professional fees and other fees for services which are necessary for project development;

2. initial staffing;

3. up to six months rent, construction loan or permanent mortgage payments, together with other necessary costs associated with rental or ownership of property;

4. reasonable and necessary fees paid to secure financing;

5. furniture; and

6. reasonable rehabilitation costs.

(b) Application for grants shall be made in the manner and on forms prescribed by the appropriate commissioner. Each commissioner shall establish schedules, subject to the approval of the director of the division of the budget, indicating the maximum development cost per bed

for such community residences and residential treatment facilities for children and youth. Such schedules may include varying rates for distinct geographic areas of the state, if in the determination of the commissioner the location of an eligible community residence or residential treatment facility for children and youth has direct bearing on the level of development costs. The commissioner may also establish varying rates based on the size of an eligible community residence or residential treatment facility for children and youth.

(c) No grant will be awarded by the commissioner if the projected per bed development cost for the community residence or residential treatment facility for children and youth exceeds the schedule established in subdivision (b) of this section.

(d) No such grant will be awarded unless there is prior approval by the local governmental unit of the area in which such community residence or residential treatment facility for children and youth is to be located.

(e) The state comptroller, or his legally authorized representative, is authorized and empowered to examine the books and accounts of the offices relating to program development grants and from time to time to examine the books and accounts of each local governmental unit or voluntary nonprofit agency receiving such grants, including its receipts, disbursements, contracts, leases, loans and any other moneys relating to its financial operation.