

Federal Grant Application Request  
**Department of Veterans' Affairs**  
The Dalles Veterans' Home Renovation

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**Analyst:** Michelle Deister

**Request:** Approve the submission of grant application by the Oregon Department of Veterans' Affairs to the United States Department of Veterans Affairs for a State Home Construction Grant in the amount of \$2,805,303 for renovation of the Oregon Veterans' Home in The Dalles.

**Recommendation:** Approve the request.

**Analysis:** The Oregon Department of Veterans' Affairs (ODVA) seeks to apply for Federal Funds to facilitate upgrades to the Oregon Veterans' Home in The Dalles. The State Home Construction Grant program requires a 35% state match, which equates to \$1,510,547 and would be met with Other Funds generated from resident payments (including Medicare, Medicaid, disability benefits, Social Security, and private payments). No General Fund is requested or required for this project. ODVA does not expect the match requirement to result in any significant increase in resident rates, which, at The Dalles, is about 63% of market rate skilled nursing care.

The Veterans' Home in The Dalles is now eighteen years old, and in some areas is beginning to show its age due to its high occupancy rate, its exposure to the elements, and changes in design standards for facilities of its kind. The federal grant provides an opportunity to recoup the majority of the costs for maintenance and renovation. Projects are detailed on the attachment.

Cash flow for the Veterans' Home program is relatively consistent, with revenues and expenditures occurring on a monthly basis. The matching funds requirement would reduce the estimated ending balance in the Veterans' Home program to a balance equivalent to two to three weeks, depending on the timing of the expenditures. However, should contingencies arise, these could be addressed through the Veterans' Home Trust Fund, consisting of donations and interest earnings, assuming those donations were not specified for a specific purpose or for the Lebanon Home. The Veterans' Home Trust Fund is projected to have a 2015-17 ending balance of \$800,000 - \$1 million.

The United States Department of Veterans' Affairs (USDVA) prioritizes applications to its construction grant program that are necessary for health and safety, and that have matching funds available and authorized. The initial application is due to USDVA on April 15. A certification of matching funds availability and authorization would need to be provided in more detailed application materials by August 15, 2015. If the request to submit the grant application is approved by the Ways and Means Committee, the Legislative Fiscal Office would meet the matching funds authorization timeline by including a recommendation for additional Other Funds expenditure limitation for this purpose in the agency's budget, with the understanding that the Department of Administrative Services will unschedule the funds until the USDVA makes a determination regarding the status of the ODVA application.

The Legislative Fiscal Office recommends approval of the request.

## Renovation to The Dalles Veterans' Home (Oregon)

3.31.15

The Dalles Veterans' Home is now 18 years old and is need of certain major renovations. We are requesting grant funds to provide: new flooring, paint, wallpaper and ceiling tile throughout the facility, remodel to the nurse stations, an upgrade of all resident rooms (paint, wallpaper, ceiling tile), remodel of the production kitchen (new kitchen equipment, fiber reinforced panel the walls, new ceiling tile), remodel of nutrition centers at all four wings, remodel of rehabilitation and therapy area including replacement of equipment. In addition, we would replace the majority of the furniture in the facility as it is old and worn and add a storage building to the facility.

**New Flooring;** this would include carpet in all the hallways, corridors and offices, vinyl plank flooring in all resident rooms, and all staff and treatment rooms. The current vinyl composite tile is highly worn and in some places tile had to be replaced with tile that doesn't match the original pattern. With vinyl floors that have integrated coving there are cracks and tears in multiple locations. Carpet is also worn and needs to be replaced. **\$575K**

**Painting of Public Areas:** This would involve painting numerous public areas, hallways, lobby areas, staff work areas, resident dining and activity areas. **\$275K**

**Add Wall Protection to Facility;** this would involve replacing damage wall protection and add additional wall coverings where needed though-out the entire facility to include wainscot and new handrails. **\$200K**

**Upgrade Resident Rooms;** while the final design is still evolving, we are planning to provide a more home like setting to the extent possible given the existing facility parameters. Current plan is to paint, paper walls, replacing the ceiling tile, and refinishes the woodwork. We will also update the bathrooms with new wallcovering and paint as needed. Window coverings will be replaced to accommodate the new color scheme. **\$275K**

**Remodel Nurse Stations;** keeping with the move to a more home like environment we plan to remove the existing nurse stations in favor of a more open work space that removes the institutional look. A new charting area will be moved to an adjunct wall to accommodate computer phones and the nurse call system. **\$75K**

**Remodel of Nutrition Centers;** the four nutrition centers will also be remodeled in line with the program to bring a better dining experience to our residents. Each area will be refit to accommodate some minor food prep and delivery. These units are adjacent to each of the dining areas on each wing and are used to finish the meal being served, e.g., add condiments, provide a beverage and any special food treatment need for the resident. **\$75K**

**Replacement of Furniture;** this would include, furniture in the public areas, sitting chairs, love seats, couches, side tables, lamps, dining table and chairs and resident room furniture where facility furniture is in use. The current furniture is worn out and needs to be replaced. **\$400K**

**Remodel of Rehabilitation/Therapy Area;** the current layout for rehabilitation and therapy is inefficient and needs to be remodeled. A remodel will open the space and allow for better circulation for staff to provide care to residents. The equipment also needs to be replaced; new equipment is more effective in

providing optimal results for residents. The current equipment is old and worn and requires frequent maintenance. Parts availability has become a problem. **\$120K**

**Upgrade Interior Lighting;** nearly 10 years ago the State of Oregon implemented new light level and fixture requirements for skilled nursing facilities. There is only 24 months left on the moratorium that allowed facilities to defer compliance with these lighting requirements. As a result, all the existing lighting fixtures will need to be replaced and additional fixtures will need to be added to all the public spaces, staff areas and resident rooms to meet light level requirements. In addition, all light fixtures are required to have a cover lens. Cover lenses are required in the event a light bulb should shatter and possibly dropping glass on staff or residents. The existing light fixture at the home do not have cover lenses on them and also don't meet the light level requirements. **\$450K**

**Upgrade Information Technology Cable;** this work would replace the current CAT 5 cable with the next generation CAT 6 cable. The upgrade will provide faster and more reliable data transfers and increase the band width to accommodate new technologies for improving resident care through better documentation and communication. **\$150K**

**Remodel of Main Kitchen;** the main kitchen needs new equipment and a total remodel in line with the program to improve the quality and delivery of food. This would include replacement of the cook line (ovens grill top, food prep stations and steam tray line), commercial dishwashing unit, and delivery carts. Fiber-reinforced panel (FRP) would be applied to all walls to comply with the cleanable surfaces requirement, new ceiling tile and painting where needed. Existing floor tile floors to be re-grouted and sealed. **\$300K**

**Building of Additional Storage Area;** currently storage at the facility has reached capacity, additional storage is need for resident belongings and supplies for the operation of the home. This will be a 30-foot by 50-foot single story addition to the home and will provide much needed storage for beds, wheelchairs, walkers, resident room furniture (not being used by the resident as they have brought their own furniture) and supplies for home operations. **\$350K**

<b>\$3,245,000</b>	<b>Construction Costs</b>
<b><u>\$1,070,850</u></b>	<b>Architectural, Engineering, Administrative, etc.</b>
<b>\$4,315,850</b>	<b>Total Project Cost</b>
<b>\$2,805,303</b>	<b>Federal 65%</b>
<b><u>\$1,510,547</u></b>	<b>State 35%</b>
<b>\$4,315,850</b>	<b>Total Project Cost</b>