

## Department of Planning and Budget

### 2021 Fiscal Impact Statement

**1. Bill Number:** HB2098

|                        |                                                |                                     |                                    |
|------------------------|------------------------------------------------|-------------------------------------|------------------------------------|
| <b>House of Origin</b> | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| <b>Second House</b>    | <input type="checkbox"/> In Committee          | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled  |

**2. Patron:** O'Quinn

**3. Committee:** Appropriations

**4. Title:** Disposition of property previously used by the Department of Behavioral Health and Developmental Services

**5. Summary:** Authorizes the Governor to lease a portion of property previously used by the Department of Behavioral Health and Developmental Services as the Southwestern Virginia Mental Health Institute to Smyth County for a term of three years. The bill also corrects tax map references contained in Chapter 678 of the Acts of Assembly of 2019, which also involved conveyances of property in Smyth County.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** See Item 8.

**8. Fiscal Implications:** This legislation would authorize the Department of Behavioral Health and Developmental Services (DBHDS) to lease currently unused property at Southwestern Virginia Mental Health Institute (SWVMHI) to Smyth County. The property identified in this bill is known at the Rehabilitation Building at SWVMHI. The legislation stipulates that the property would need to be conveyed “as is” to the county, however it should be noted that the building requires significant investment in order for it to be ready for occupancy. DBHDS estimates that the costs to remediate the issues would be as much as \$3.7 million. These measures include the need for a new electrical system/service, water meter installation and reconnection of water service to the main town line, and a new HVAC system that would need to be installed for heating and cooling the building independent of SWVMHI’s current infrastructure. Additionally, SWVMHI currently uses the parking lot associated with this building. A new parking lot would need to be established for the county occupants of the building to ensure appropriate access for the workforce and consumers. This is estimated to be \$100,000.

The legislation does not include a provision allowing DBHDS to collect reimbursement for any remaining utilities that would be needed to be supplied by SWVMHI and any required maintenance from Smyth County, which is a potential additional fiscal impact, although those terms could potentially be included in the lease.

**9. Specific Agency or Political Subdivisions Affected:** Department of Behavioral Health and Developmental Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.