



# County of Monterey

Item No.16

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: A 25-301

August 05, 2025

Introduced: 7/9/2025

Current Status: Health Department -  
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to accept a maximum capital grant award amount of \$3,924,669 ("Grant") from The Central California Alliance for Health ("Alliance") in partial support of the design, engineering, site development, and construction of the County of Monterey Medical Recuperative Care Center (MRCC), to be located at 855 E. Laurel Drive, Salinas, California 93905; and
- b. Approve and authorize the Director of Health Services or designee to execute an Agreement ("Funding Agreement") in the amount of \$3,924,669 with the Alliance for partial support of the design, engineering, site development, and construction of the MRCC, for the term effective upon execution and expiring 39 months thereafter; and
- c. Approve the recommendation of the Director of Health Services to accept all non-standard provisions in Agreement.

### RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to accept a maximum capital grant award amount of \$3,924,669 ("Grant") from The Central California Alliance for Health ("Alliance") in partial support of the design, engineering, site development, and construction of the County of Monterey Medical Recuperative Care Center (MRCC), to be located at 855 E. Laurel Drive, Salinas, California 93905; and
- b. Approve and authorize the Director of Health Services or designee to execute an Agreement ("Funding Agreement") in the amount of \$3,924,669 with the Alliance for partial support of the design, engineering, site development, and construction of the MRCC, for the term effective upon execution and expiring 39 months thereafter; and
- c. Approve the recommendation of the Director of Health Services to accept all non-standard provisions in Agreement.

### SUMMARY/DISCUSSION:

The Alliance has established the Alliance Housing Fund to support the efforts of health care providers and community organizations in Mariposa, Merced, Monterey, San Benito and Santa Cruz counties that advance the Alliance's mission to provide timely access to quality health care services and increase Medi-Cal capacity in the Alliance's service area. The fund provides grants to build, purchase, renovate and/or furnish permanent housing units, recuperative care facilities and short-term post-hospitalization housing units.

The County of Monterey Health Department ("Department") will match the Alliance award

dollar-for-dollar from Whole Person Care funds and will commit further Department funds to achieve an estimate project budget of up to \$9,000,000. The project will primarily serve 16 to 20 adult Medi-Cal beneficiaries (“Patients”), of which at least 80% will be Medi-Cal beneficiaries who require post-hospital recuperative care but have no habitable location to heal and recover from their injuries or disease. Patients will typically stay up to 90 days with full Medi-Cal reimbursement, and if required, may stay up to six months longer with partial Medi-Cal reimbursement. Patient sleeping cabins will be fully accessible, single occupancy, design/build or modular ensuite units with roll-in showers. Two ancillary buildings will house administrative and social support case management/dining/wellness education. The Department will issue a Request for Proposal and select a provider for MRCC operations.

Site development and construction will be completed in three phases, corresponding with two payments of 66%, and 34% as follows:

Phase 1 - Confirm site ownership, prepare preliminary budget, provide proof of existing department matching funds. Estimated Phase 1 completion: July 2025.

Phase 2 - Construction documents, permits, bidding process, contract award or modular provider selection. Estimated Phase 2 completion: March 2027.

Phase 3 - Site work, construction or assembly, utility hookups, furnishing and equipment, occupancy. Estimated Phase 3 completion: December 2028.

The useful life of the project is anticipated to be at least 10 years from the time of construction or assembly. The project will operate 365 days per year and will be staffed 24 hours per day.

The Department will work with the Alliance, Natividad, and homeless services providers to develop an efficient eligibility, referral, admittance, social services, discharge program. Patients will receive three meals and snacks daily, laundry service, and transportation to medical appointments.

This work supports the County of Monterey’s Health Department 2025-2028 Strategic Plan Goal 1: Provide exceptional person-centered care through accessible, community-focused health services Empower the community to improve health. It also supports three of the following of the ten essential public health services, specifically: #3. Inform, educate, and empower people about health issues; #7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable; and #10. Research for new insights and innovative solutions to health problems.

#### OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller have reviewed and approved this Grant Agreement as to form and fiscal provisions, respectively.

#### FINANCING:

There is no impact to the General Fund from approval of this action. As the Department was notified of partial approval on January 31, 2025, appropriations for grant activities and the associated revenue were included in the Fiscal Year 2025-26 Adopted Budget. The Health Department will use existing WPC Department funds for the grant matching funds.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses, and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Patricia Zerounian, MPP, Management Analyst III, 588-8202

Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:

Board Report

Funding Agreement