Mental Health Rehabilitation Center Project Update

Health, Housing, Homelessness, and Human Services Committee

August 18, 2025

MONTEREY COUNTY BEHAVIORAL HEALTH
Avanzando Juntos Forward Together

Background

Feb. 2023

Behavioral Health Submitted a BHCIP Round 5 grant application for $20,166,779 to rehabilitate a wing of the old county jail on Natividad Road

June 2023

DHCS conditionally awarded the grant

Aug. 2023

BoS adopted Resolution 23-138, authorizing the Director of Health Services to execute grant agreement

Feb. 2024

Rehabilitation wing of the old county jail is no longer available

Spring 2024

County Team identified a vacant parcel on Constitution Blvd (across the street from the Regional Soccer Complex) as an alternative location

Marin Ave
Plumas Way
N Davidad Rd
Monterey County Juvenile Justice Court
Monterey County Coroner
Atherton Way
Menlo Way
Los Altos Way
Facesgifts
Castleton St
Manchester Dr
Monterey County Juvenile Hall
McSo Jail Dy
Monterey County Jail
NMC Campus Dr
NIDO Clinic Parking
Phillips Charles A
Medical Center Dr
Constitution Blvd
Wingstop
Salinas Regional Soccer Complex

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Background continued

June 2024, BHB presentation to the BoS

- Moving from Rehabilitation to New Construction
- Six (6) separate, 16-bed MHRCs
- Allows for Medi-Cal billing
- One (1) Support building
- Leverage San Mateo County model
- Cordilleras Facilities design & plans

November 2024, BHB Report and Financing Options Presentation to the BoS

- Estimated project budget increase from $45M to $75M based on recent projects
- Increase due to change from rehabilitation to new construction
- Funding gap of $54M between grant and budget
- BOS approved 4-1 to seek COPs to fund the gap

MHRC SUPPORT
MHRC A
MHRC B
MHRC C
MHRC D
MHRC E
MHRC F
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6
N

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Background continued

December 2024, BHB submitted two BHCIP Bond R1 Applications

- $31M application to increase bed capacity at MHRC from 96 to 144
- $11M application to build a Behavioral Health Urgent Care (BHUC)

Between December 2024 and May 2025, BHB met with PWFC to discuss bed expansion, which was deemed not viable

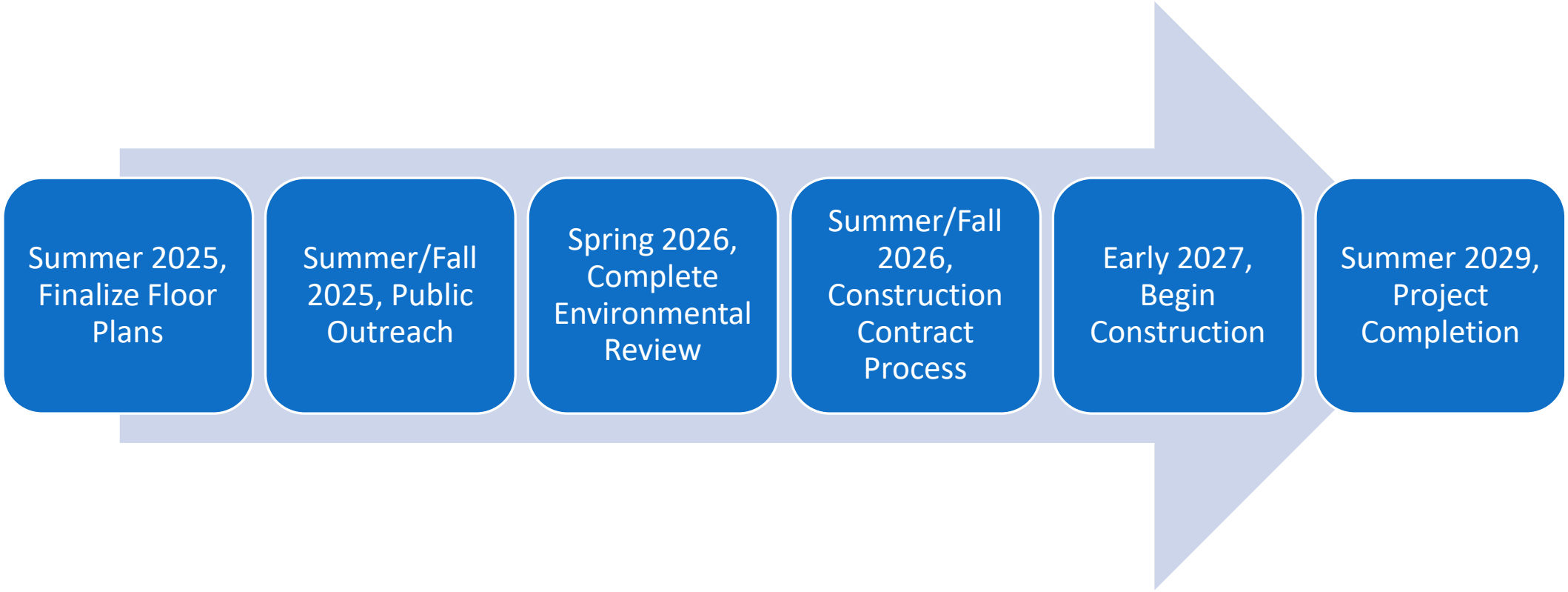
Project Programming continued and was completed in April 2025

July 2025, BHB met with AHP and DHCS to discuss the needed project revisions for the $31M grant

- Request for project modification was submitted and is currently under review
- Determination is expected from DHCS by the end of August 2025

Cost estimates increased from $75M to $172M

- Parcel lacks essential infrastructure (water, sewer, electricity, etc.)
- Federal Tariffs
- Construction contingency requirement of 20%

Project Cost Factors

Project Timeline