

# Mental Health Rehabilitation Center Project Update

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Health, Housing, Homelessness, and Human Services Committee  
August 18, 2025



COUNTY OF MONTEREY  
**HEALTH DEPARTMENT**

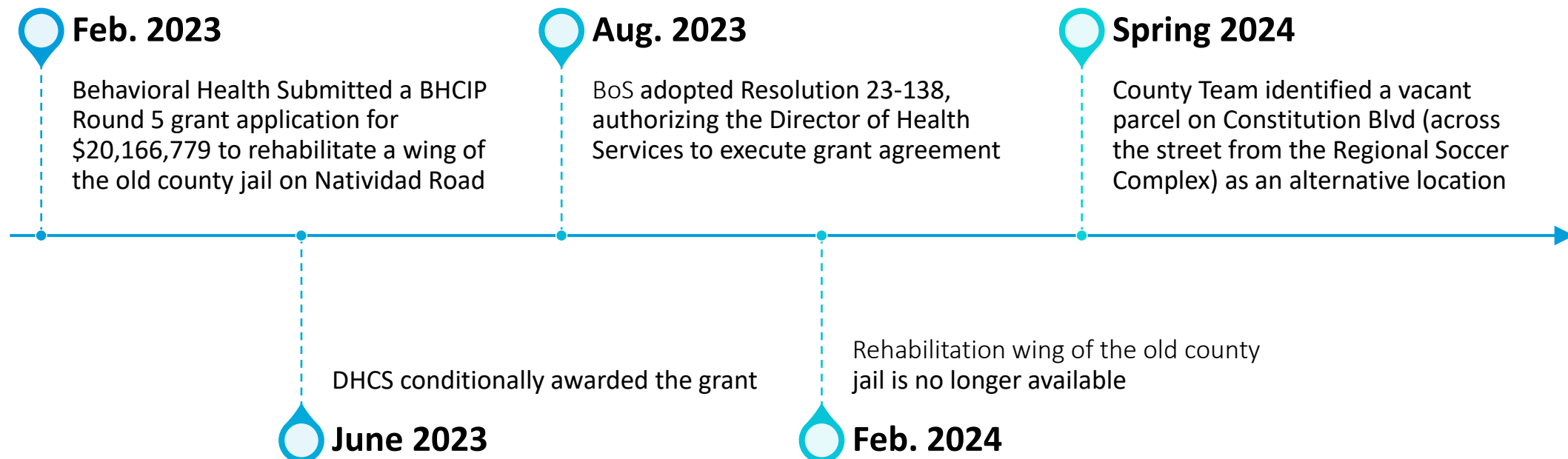


MONTEREY COUNTY  
BEHAVIORAL HEALTH

Avanzando Juntos **Forward Together**



# Background





# 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





# 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**

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graph TD; A[Cost estimates increased from $75M to $172M] --- B[Parcel lacks essential infrastructure (water, sewer, electricity, etc.)]; A --- C[Federal Tariffs]; A --- D[Construction contingency requirement of 20%];
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**Parcel lacks essential  
infrastructure  
(water, sewer,  
electricity, etc.)**

**Federal Tariffs**

**Construction  
contingency  
requirement of 20%**

**Project Cost Factors**



# Project Timeline

