

Item Title: Appropriate Funding to Support WakeBrook Renovations

Specific Action Requested:

That the Board of Commissioners appropriates \$5,100,000 from Behavioral Health Fund Balance for renovation of Building 107 at Wake County's WakeBrook campus in the County Capital Improvement Fund.

Item Summary:

Purpose: The Board of Commissioners approves all fund increases. In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund.

Background: Wake County is the owner of the WakeBrook Campus, located at 107 and 111 Sunnybrook Road, Raleigh, North Carolina. Wake County entered a lease agreement with RI International in March 2024 for the operation of services in Building 107. To increase service capacity and accommodate a preferred service approach, Wake County agreed to renovate the first floor of the facility. Wake County previously appropriated \$4.3M to fund the renovation. However, as further design work has been completed and cost estimates have been refined, it has been determined an additional \$5,100,000 will be needed to complete the renovation.

Strategic Plan: This action supports Community Health and Wellbeing Goal 3: By 2029, 5% more residents asked will indicate low barriers to healthcare and behavioral services, such as access to providers, insurance coverage, affordability and appointment wait times.

Fiscal Impact: Funding to support this project is from the Behavioral Health fund balance. The funding will be appropriated in the FY2026 General Fund for transfer to the County Buildings element in the County Capital Fund. Sufficient fund balance is available for this project.

Additional Information:

In March 2024, Wake County entered into a lease agreement with RI International to provide 28 seats in a Behavioral Health Urgent Care (BHUC), a 16-bed Facility Based Crisis unit and a 16 bed Non-Hospital Medical Detoxification unit. These services are critical to the crisis continuum available for Wake County residents and are not financially sustainable based on reimbursement rates available to the provider. The lease agreement included a commitment to support renovations at WakeBrook to expand service operations, accommodate new service delivery methods and provide needed facility improvements.

The building renovations will occur in phases to allow services to remain open. Phase 1

renovations were previously completed on the second floor of Building 107 to temporarily accommodate the BHUC program. Phase 2, which will occur on the First Floor, marks the beginning of the upcoming renovations, with this floor becoming the permanent home for the BHUC program. To accommodate increased demand for crisis services, this renovation is designed to allow for an expansion of BHUC capacity, which is described in terms of the number of “chairs.” With updated design plans, the BHUC will expand from 16 chairs to 28 chairs. The design plan will also provide a full-service kitchen, allowing for enhancements to patient experience and reductions of long-term operational costs for the provider.

The Board authorized funding for this renovation in November 2024 utilizing \$2,000,000 of County funding and \$2,392,065 of State DHHS funding. As we indicated at the time of the original appropriation, we were very early in the design process and only had rough estimates for the project cost. Design plans have progressed and cost estimates are now refined and the total renovation is now anticipated to cost \$9,492,065. This updated estimate includes the full design plan, current construction market trends and will allow the BHUC to remain operational 24/7 throughout the renovation period. The construction manager at risk method of project management approach was authorized by the Board of Commissioners in January 2025. It is anticipated construction will begin by August 2026 with completion in early 2027.

Estimated Renovation Cost

Phase 1 renovation actual	\$ 325,796
Phase 2 renovation est	\$ 9,166,269
Total	\$ 9,492,065

Revenue Available

Original County funding	\$ 2,000,000
NC DHHS funding	\$ 2,392,065
11/3/2025 Additional funding	\$ 5,100,000
Total	\$ 9,492,065

Attachments:

1. CIP Budget Memo - FY2026 County Capital Fund - County Buildings
2. Budget Memo – FY2026 Human Services