



MEMORANDUM

Council Agenda
Item No. IX. AU
6/20/2023

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Brownfields Cleanup Revolving Loan Fund Grant Agreement with the Community Health Centers, Inc., a 501c (3) non-profit organization as owner, for environmental cleanup at the site 5301 Dimple Drive, not to exceed \$200,000. Ward 4.

Location:

5301 Dimple Drive, Oklahoma City, OK 73135

Purpose:

To approve a Brownfields Revolving Loan Fund (BRLF) Subgrant for the costs of asbestos abatement of property at 5301 Dimple Drive. Grant funds will be released to the Community Health Centers, Inc. in an amount not to exceed \$200,000, on a reimbursement basis. The subgrant will support the Community Health Centers, Inc. in removing environmental hurdles to allow for site redevelopment.

Background:

The City applied for and received \$800,000 in Brownfields Revolving Loan Funds (BRLF) from the United State Environmental Protection Agency (EPA) in October of 2018, and \$3,900,000 in Brownfields Revolving Loan Funds (BRLF) from the United State Environmental Protection Agency (EPA) in October 2022. The BRLF funds may be loaned to for-profit businesses, or sub-granted to eligible non-profit applicants, to support clean-up of environmental hazards that are hindering property redevelopment in Oklahoma City.

The Community Health Centers, Inc. purchased the site at 5301 Dimple Drive, Oklahoma City on October 26, 2022. The property was the former Highland Elementary School, built in 1977. The property currently contains one single-story structure and multiple prefabricated classroom buildings.

The Community Health Centers, Inc. plans to redevelop this site into a new Federally Qualified Health Center campus that will offer primary healthcare, dental, behavioral health, pre- and postnatal healthcare for pregnant women, low-cost pharmacy, optometry, a healthy eating demonstration kitchen, and a health and wellness education auditorium. Approximately 21,000 sq. ft. is designated for community partners to serve families in southeast Oklahoma City and Oklahoma County.

The Community Health Centers, Inc. has secured a loan from Simmons Bank for \$2.347 million which will cover the critical components of Phase 1 of the Developmental Budget.

The proposed \$200,000 BRLF Sub-grant Agreement will be used to assist the Community Health Centers, Inc. in removal of asbestos material from the building in accordance with Department of Labor requirements. Funds will be distributed as reimbursement for costs incurred. The agreement requires approval by the City Council and signature by the Mayor.

Estimated Cost:

The total cost of abatement is estimated to be less than \$200,000. Any costs incurred in excess of this amount will be paid by the Community Health Centers, Inc.

Source of Funds:

Grants Management – Environment Protection Agency – Planning - BF-01F48201 (019-6660-2409503-G95022) 4B 02F21301 (019-6660-2409503-G95026)

Review:

Planning

Recommendation: Agreement be approved.