

Legislation Text

File #: 15-22906, Version: 1

Katie Blessing Center

Action:

- A. Approve a \$2,500,000 allocation from fiscal year 2025 Pay-As-You-Go in support of the Katie Blessing Center’s overall capital campaign to develop a pediatric behavioral health care facility, and**
- B. Authorize the City Manager or his designee to negotiate, execute, and amend any necessary contracts and agreements to complete the transaction.**

Committee Chair:

Victoria Watlington, Housing, Safety and Community Committee

Staff Resource(s):

Shawn Heath, City Manager’s Office

Explanation

- Katie Blessing Foundation, the non-profit division of StarMed Healthcare, seeks to eliminate barriers to health care access and ensure equitable access to communities with persistent health disparities.
- The Foundation has committed \$20 million to develop an approximately 70,000 square foot pediatric and behavioral health care center in east Charlotte called the Katie Blessing Center (Center) and is currently undertaking a capital campaign seeking public and private funding commitments for the remaining development costs; the estimated total project cost is \$63 million.
- The Center will be North Carolina’s largest and most advanced pediatric health care facility, offering a full continuity of services on one campus. Services will focus on the whole child and include:
 - Behavioral health urgent care;
 - Acute inpatient hospital;
 - Residential treatment facility; and
 - Traditional outpatient care, including telehealth and family intervention to support thoughtful transitional care and reduce re-admissions.
- The Center will be located in the Central Avenue/Albemarle Road Corridor of Opportunity on approximately 3.89 acres at 5516 Central Avenue (parcel identification number 103-021-02) (Property) in Council District 5.
- The city’s \$2.5 million funding allocation will be released contingent upon receipt of a construction permit.

Background

- On January 23, 2023, City Council approved the market-rate sale of the Property for \$2.76 million to Starmount Management, LLC to develop a pediatric and adolescent behavioral health facility. The sale included:
 - A right to re-acquire the Property for the purchase price plus three percent per year if Starmount does not begin the process to redevelop the property within three years from the closing date; and
 - A commitment from Starmount to a Training Program for paid interns within five years from the closing date, with a minimum of ten individuals hired each year for at least five years; if

they are unable to fulfill the training program commitment Starmount will pay the city \$170,000.

- On May 23, 2024, the Housing, Safety & Community Committee voted unanimously to recommend to the full City Council an allocation in the amount of \$2.5 million to support the capital campaign of the Center as part of the city's fiscal year 2025 budget (Council members Watlington, Mayfield, Brown and Johnson voted in favor; Council member Ajmera was absent).
- On June 10, 2024, City Council received an overview of the project and city investment opportunity at its Action Review meeting.

Fiscal Note

Funding: General Capital Investment Plan

Attachment(s)

Map