

# Brownfields

## Success Story

### The Silver Lining in an Abandoned Hospital

#### Silver City, New Mexico

For nearly 25 years, Hillcrest General Hospital served as a healthcare hub for residents of Silver City and others in western New Mexico. In 1983, Grant County officials decided to build a new hospital, Gila Regional Medical Center, rather than make costly upgrades to Hillcrest. Once Gila began operations and Hillcrest closed, the building quickly fell into disrepair and earned a reputation among locals as an eyesore and a nuisance.

“The site is located in a very prominent part of town, on the main drag right as you enter city limits,” says Alex Brown, Silver City’s town manager and finance director. “Silver City generates a lot of revenue through recreational tourism, and we were concerned about how the site could affect visitors’ perception of us.”

### The Opportunity

In 2004, Brown received a directive from his colleagues in the city council to acquire the Hillcrest property and demolish the building. After approximately one year of negotiation with the site’s owner, he used city funds to purchase the property.

After finalizing the acquisition, Brown knew the building’s age and former use meant a full environmental assessment would be necessary before redevelopment could proceed. He contacted the town’s Brownfields program, which helped secure a \$168,393 U.S. Environmental Protection Agency (EPA) Brownfields Assessment Grant for Phase I and Phase II environmental site assessments. The assessments revealed significant contamination—*asbestos, lead, incinerator ash, and animal droppings containing bacteria that could cause harm if inhaled by people visiting the structure.*



**EPA Grant Recipient:**  
Silver City, New Mexico

**EPA Grant Type:**  
Brownfields Assessment Grant,  
Brownfields Revolving Loan  
Fund Grant

**Former Uses:**  
Hospital

**Current Use:**  
Affordable Senior Housing



The Hillcrest Hospital site languished for decades before the town had it demolished in 2009.



EPA-funded site assessments revealed significant and widespread contamination.



Apartment construction began in April 2018 and took approximately 20 months to complete.

**“Working with EPA on the Hillcrest Hospital project is one of the best experiences I’ve ever had as a public servant.”**

*Alex Brown,  
Town Manager, Finance Director,  
Town of Silver City, New Mexico*

### **For more information:**

Visit the EPA Brownfields website at [www.epa.gov/brownfields](http://www.epa.gov/brownfields) or contact Denise Williams at 214-665-9749 or [Williams.Denise@epa.gov](mailto:Williams.Denise@epa.gov).

## The Cleanup

Thanks to a previous relationship with the Brownfields program, Brown says the remediation process was relatively seamless. “Based on my experience working with the town’s Brownfields office to clean up old mill sites in town, I knew that EPA would be helpful in transforming the Hillcrest Hospital site.”

The town received a \$342,560 EPA Brownfields Revolving Loan Fund Grant to cover the costs of waste removal and building teardown. The loan allowed financing with a 20 percent repayment discount at zero percent interest, which helped accelerate payback time. Cleanup began in 2007, and demolition of the hospital was complete by 2009.

## The Redevelopment

Brown’s next task was to find a new tenant. The city council targeted hotels and other businesses tied to recreational tourism, but good fits and interested buyers were few and far between. The site remained vacant and under town control until late 2016, when Bethel Development approached Brown. Bethel specializes in affordable housing and had experience working in Silver City, having developed the Silver Cliffs Apartments on the north side of town.

“Bethel provided us with an independent analysis, which concluded that Silver City’s senior population needed affordable housing,” says Brown. “Subsequent research on our end indicated the same thing. All we had to do was work out the acquisition details.”

Silver City was willing to donate the land to Bethel, and the company received a five-point tax credit for building on a brownfields site through the state of New Mexico’s Qualified Allocation Plan. The parties finalized the details in June 2017, and construction of Mountain View Senior Apartments began in April of the following year.

## The Benefits

Brown expects Mountain View Senior Apartments to benefit Silver City beyond providing elderly residents with affordable homes. “Having this resource should spur more economic development. Bethel will invest in maintenance and administrative staff, and, as an added bonus, other businesses can point to Mountain View as a place where prospective employees can bring their parents.”

Apartment construction was completed in fall 2019, and many of the 69 housing units are currently occupied.

“I’m so happy that Silver City found its ‘prince charming’ buyer in Bethel,” says Denise Williams, Brownfields Project Officer for EPA Region 6. “What was once just an abandoned building is now a tremendous asset.”