

COMMITTEE ON REAL ESTATE

March 7, 2016

A meeting of the Committee on Real Estate was held this date beginning at 4:30 pm at City Hall, 80 Broad Street, First Floor Conference Room.

PRESENT

Councilmember White, Chair, Councilmembers Waring, Riegel and Moody (via teleconference) and Mayor Tecklenburg. **Staff:** Frances Cantwell, Corporation Counsel, and Philip Overcash, City Planner

The meeting was opened with a moment of silence by Councilmember Moody.

APPROVAL OF MINUTES

On motion of Councilmember Riegel, seconded by Councilmember Waring, the Committee voted unanimously to approve the minutes of the February 23, 2016 meeting.

REQUEST AUTHORIZATION OF THE LEASE AGREEMENT BETWEEN GUY MCSWEENEY OR HIS ASSIGNS AND THE CITY OF CHARLESTON, WHEREBY MR. MCSWEENEY WILL MAKE CERTAIN IMPROVEMENTS TO BUILD AND LEASE TO THE CITY A FIRE STATION INCLUDING A BUILDING WITH RELATED PARKING, DRIVEWAY ACCESS, AND REQUIRED UTILITIES (TMS: PORTION OF 263-00-01-062; HIGHWAY 98, BERKELEY COUNTY)

Ms. Cantwell stated that is a proposal to enter into a Lease with Guy McSweeney, who is the owner of a property on Cainhoy Road, which would allow the City to have a temporary fire station in this part of the City. The term of the Lease would be 3 years with 3 one-year renewal options. Within this timeframe, we will have the permanent station site acquired and built. Rent is \$4500 per month. It escalates at 3% per year. Rent would not start until we have a CO for the landlord improvements. It includes upfitting a portion of an industrial building into a fire station to include sleeping quarters and a place to house the truck. We expect the construction to start by 6/1 and be done by 12/31. Everyone is trying to get it up and running before that. The rest of the lease is pretty standard. The developer is going to carry liability insurance and \$500,000. Landlord is responsible for maintenance. City would maintain the door to keep them operable. The City is going to cover its standard, which is required by the Tort Claim Act. The landlord is responsible for major repairs. The City is agreeing to keep the ordinary maintenance including maintenance of the doors. They're specialized doors and the landlord didn't want responsibility in case one of those doors didn't open. The City would be responsible for their pro rata share of property taxes, but no more than 25% of the bill. Utilities, which would be separately metered, would be on the City. Water and sewer would be included in the common area and maintenance and the City would pay a pro rata share of that capped at \$75 per month. In the event of a casualty, the landlord would repair it, and the City would have the right to evaluate whether or not we wanted to terminate the Lease. In the event landlord sought to sell part of the parcel that's being leased to the City, the City would have the right of first refusal to entertain if we wanted to stay there permanently. Mr. McSweeney is going to build a larger building and probably condominiumize it. In the front part is going to be the station, and as you go deeper into the site, you would have other uses. We don't expect that we would buy this property, but we had that option built in, just in case.

Councilmember Waring asked if it's at a signalized intersection. Ms. Cantwell replied no. Councilmember Waring stated that he knows something is needed over there, and he supports it. The Chair said he's not sure exactly where this is, but it's not in an ideal location. However, it's so needed. It's a good solution for them to get to the point of finding a permanent site. Ms. Cantwell stated that the City has kind of located a permanent site on Peninsula Cove Drive. We've got the contract for sale that was sent over. Councilmember Waring asked if there was an out clause. Ms. Cantwell stated that there isn't an out clause for the first 3 years. The landlord may work with us, but it's probably going to take that long to build something. We thought 3 years was a good minimum and we have the option to extend it if we need to. Councilmember Riegel asked where the funds are coming from for the acquisition of the building and to build a new station. He asked if it's coming from the tax increase that

was voted for a couple of years ago. Ms. Cantwell stated that she believes bonds have been issued for that and part of it is going to be paid for by the extra millage that was devoted to public safety.

On the motion of Councilmember Waring, seconded by Councilmember Riegel, the Committee voted to Request authorization of the Lease Agreement between Guy McSweeney or his assigns and the City of Charleston, whereby Mr. McSweeney will make certain improvements to build and lease to the City a fire station including a building with related parking, driveway access, and required utilities (TMS: portion of 263-00-01-062; Highway 98, Berkeley County).

REQUEST APPROVAL OF THE RESOLUTION ALLOWING ADJUSTMENTS BE MADE BY THE MAYOR IN CONSULT WITH CORPORATION COUNSEL, TO ALLOW MORE TIME TO FINALIZE THE CITY'S BUILDING PLAN REVIEW AND APPROVAL PROCESS AND ADJUST THE CLOSING DATE IF SUCH ADJUSTMENTS ARE DEEMED NECESSARY TO PROTECT THE CITY'S INTEREST (TMS: A PORTION OF 460-00-00-013; 99 WESTEDGE, A PORTION OF 180 LOCKWOOD)

Ms. Cantwell stated this Resolution pertains to the development of the parking garage and the wrap that's going to be built behind the police station. Our contract for sale allowed the closing to be extended until March 15th. We're hoping to close by Friday. The contract for sale also called for the drawings to have been finished and completely signed off by our staff and the person we have looking at those drawings. They have been coming in steadily, but they're not finished. We may not have the review done by the 11th. The purpose of this Resolution would be to give the Mayor authority to give small extensions or to allow us to enter into an agreement that would survive post-closing where we would have timely submission and final approval of the construction compliance. Once the developer closes, it's to his advantage to get the drawings approved because he can't pull a permit for anything until that is done. Everyone is working really hard to ensure that it's done, but it's a complicated project. We have to make sure that where the garage and the wrap connect is done the right way. We have professionals looking it, but it's probably not going to get done by the 11th. We want to get it done hopefully by the end of the month.

On the motion of Councilmember Waring, seconded by Mayor Tecklenburg, the Committee voted unanimously to request approval of the Resolution allowing adjustments be made by the Mayor in consult with Corporation Counsel, to allow more time to finalize the City's building plan review and approval process and adjust the closing date if such adjustments are deemed necessary to protect the City's interest (TMS: a portion of 460-00-00-013; 99 WestEdge, a portion of 180 Lockwood).

REQUEST APPROVAL TO TRANSFER THE SANITARY SEWER SYSTEM LOCATED AT FREEDOM PARK TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON IN THE AMOUNT OF \$8,004.15 (TMS: 275-00-00-199; FREEDOM PARK, BARFIELD STREET)

Ms. Cantwell stated Freedom Park is under construction now for a couple of restrooms and an open air pavilion. We need to have sanitary lines and sewer lines in place for the restrooms. Our construction people are building the line. This agreement would allow it to be turned over to CPW for them to take care of it. It's a standard agreement of CPW, as it pertains to the City. There were some things they didn't require of us, such as letters of credit and guarantees. We will have to pay the impact fee, which is customary. The estimated construction completion is 6/30 and estimated project close out is 8/30.

On the motion of Councilmember Waring, seconded by Councilmember Riegel, the Committee voted unanimously to request approval to transfer the sanitary sewer system located at Freedom Park to the Commissioners of Public Works of the City of Charleston in the amount of \$8,004.15 (TMS: 275-00-00-199; Freedom Park, Barfield Street).

CONSIDER THE FOLLOWING ANNEXATIONS:

- (i) Cooper Judge Lane (TMS# 427-00-00-078; 427-00-00-079) 3.74 acres, James Island (District 6)

- (ii) 115 Carriage Hill Place (TMS# 269-01-05-159) 0.18 acre, Cainhoy (District 1)
- (iii) 2476 Flamingo Drive (TMS# 310-02-00-126) 0.25 acre, West Ashley (District 2)
- (iv) 2482 Flamingo Drive (TMS# 310-02-00-127) 0.25 acre, West Ashley (District 2)

Mr. Overcash stated these are all in residential areas. Cooper Judge Lane is an unimproved private road currently. It's off of Secessionville Road. There are two parcels that they're annexing. They're currently undeveloped, wooded tracts. It's just outside of the Urban Growth Boundary. The County's zoning would allow single-family residential, so we would recommend single-family zoning to match as closely as possible. The other annexations are all existing single-family homes. They're annexing to take advantage of the City's services.

On the motion of Councilmember Riegel, seconded by Councilmember Waring, the Committee on Real Estate voted unanimously to approve the annexations listed above.

On the motion of Councilmember Waring, seconded by Councilmember Riegel, the Committee voted unanimously to enter into Executive Session.

On the motion of Councilmember Waring, seconded by Mayor Tecklenburg, the Committee voted unanimously to exit Executive Session. No action was taken. The purpose of the Executive Session was to discuss annexation matters and legal issues relating thereto.

There being no further business, the meeting was adjourned at 5:04 p.m.

Techina Jacques
Clerk of Council's Office