

## Committee on Real Estate

June 14, 2021

A meeting of the Committee on Real Estate was held this date beginning at 3:37 p.m. over video conference call.

Notice of this meeting was sent to all local news media.

**Present:** Councilmember Shahid, Chair, Councilmember Appel, Councilwoman Jackson, Councilmember Waring, and Mayor Tecklenburg **Also Present:** Mallery Scheer, Julia Copeland, Geona Shaw Johnson, Jason Kronsberg, Rick Jerue, Susan Herdina, Leigh Bailey, Matt Fountain, Christopher Morgan, Chip McQueeney, and Wanda Stepp

The meeting was opened with a moment of silence provided by Chairman Shahid.

### Approval of Minutes

On the motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted unanimously to approve the minutes of the May 24, 2021 meeting.

**An ordinance to authorize the Mayor to execute a General Agreement between the U.S. Department of Interior; National Park Service; Fort Sumter and Fort Moultrie National Historic Parks; The South Carolina Aquarium and City of Charleston Department of Parks for Joint Operations at Liberty Square. (Liberty Square/Aquarium Site). The property is owned by the City of Charleston. [Ordinance]**

Ms. Copeland stated this was an agreement between the National Park Service, Fort Sumter, Fort Moultrie, the Aquarium, and the City regarding the joint operations of Liberty Square Park where the Aquarium was located. It was a property that they leased from the National Park Service and they subleased the area of the Aquarium out. There were about eight or nine leases and subleases and operation agreements currently out there that had been adopted that they were consolidating into one general agreement amongst all the parties. This would just be covering the operations of the park, who was in charge and could make decisions, as well as parking considerations. There were no new duties.

On a motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted unanimously to approve the above item.

**Request for approval authorizing the Mayor to execute on behalf of the City an easement to Dominion Energy in order to construct, extend, replace, relocate, perpetually maintain and operate an overhead or underground electric line or lines consisting of any or all of the following: poles, conductors, lightning protective wires, municipal, public or private communication lines, cables, conduits, pad mounted transformers, guys, push braces and other accessory apparatus and equipment deemed by Grantee to be necessary or desirable, upon, over, across, through and under land described as follows: a lot of land containing 4.42 acres, more or less, and being the same lands conveyed to Grantor by deed of 1776, LLC, dated and recorded 6/11/2020, and filed in the Register of Deeds office for Charleston County in Deed Book 0889 at Page 478. The property is owned by City of Charleston. (River Road and Maybank Highway) (TMS No. 346-00-00-813)**

Ms. Copeland stated that this item and the next were regarding the pitchfork road over on Maybank Highway. Dominion would be undergrounding the cable along River Road on the very edge of the

property. The purpose of running these cables was to provide power to the Fenwick and Beach Company project going on.

On a motion of Councilmember Waring, seconded by Councilwoman Jackson, the Committee voted unanimously to approve the above item.

**Request for approval authorizing the Mayor to execute on the behalf of City an easement to Dominion Energy in order to construct, extend, replace, relocate, perpetually maintain and operate an overhead or underground electric line or lines consisting of any or all of the following: poles, conductors, lightning protective wires, municipal, public or private communication lines, cables, conduits, pad mounted transformers, guys, push braces and other accessory apparatus and equipment deemed by Grantee to be necessary or desirable, upon, over, across, through and under land described as follows: a tract of land containing 11.73 acres, more or less, and being the same lands conveyed to Grantor by deed of 1776, LLC, dated or recorded 6/11/2020, and filed in the Register of Deeds office for Charleston County in Deed Book 0889 at Page 475. The property is owned by the City of Charleston. (River Road and Maybank Highway) (TMS No. 346-00-00-04)**

Ms. Copeland said this one started at the stub-out and ran down the pitchfork.

On a motion of Councilwoman Jackson, seconded by Councilmember Waring, the Committee voted unanimously to approve the above item.

**Request approval for the Mayor to execute a Memorandum of Understanding with Transdev Services, Inc. regarding non-exclusive use of a parking lot for CARTA driver training purposes. The property is owned by the City of Charleston. (14 Sumar Street Parking Lot)**

Ms. Copeland stated this was about the old Piggly-Wiggly site in the North Bridge area. Transdev was the company that provided the drivers for CARTA and they had asked for the ability to use this space to train their drivers periodically. For the cost of \$250/month, they would use this area. They would have it coordinated with the Fire Department because they also trained in that area from time to time. They also inserted a provision that they could terminate at any time with 30 days notice in case something transpired that required them to clear that area for development.

Councilmember Waring said he would be voting against this one. They had the property since 2017. He asked how much it cost to tear the building down. Chairman Shahid said they paid a little more than \$3 million for the land and he didn't remember the cost of demolition. Councilmember Waring said they had used the site as a staging site for debris and now they were going to use it for training for CARTA which had been around for many years. They had to have some other place to train. After four years, they didn't have any direction as far as he knew what they were going to put on the property. They had to do better by the people of West Ashley. He thought this contributed to the 'West Trashley' moniker that they were trying to eradicate. This didn't give anything positive to the use of the property. He thought CARTA needed to train somewhere else or wherever they were training before. They needed to do something specific that would be a benefit to the people of West Ashley. They had taken almost \$4 million of taxpayer dollars and right now there was nothing inviting to that gateway coming into the City from that entrance. It was a stone's throw from the birthplace of South Carolina and other people were coming to them with utility uses as opposed to something that was the original intent which was to eradicate the potential of a 20-pump gas station. He thought they needed to go back and either rezone

under a mixed-use situation or put it in a PUD and out for private developers, or turn it into West Ashley's version of Marion Square. There had been an iteration about it potentially being a Civic Center, but he hadn't seen anything else about that. He didn't think they were putting their best foot forward on what could go at that location. He didn't want anything to go there that would be construed as being unattractive.

Chairman Shahid said that it had been a long and tortuous path with this property. It had gone out to bid and Landmark had bid on it. They were waiting to get an MOU/contract with them. He was told that would be presented to Council in July for their consideration and approval and hopefully after that, they would see development. They had presented conceptual plans to the public who had given them ideas as to what they wanted out there. It had been way too long and COVID had knocked them off their schedule a bit. He received calls and comments about this all the time. People wanted to see something happen with this property. They were pushing and he had been assured they would have something to start this project in July. The Fire Department did come out and use it for maneuvers and to clean their fire hoses. He shared Councilmember Waring's sentiments. He had as much vested interest in it being developed as anyone else. Councilmember Waring said he knew everyone wanted to see something happen on the property. He wouldn't vote for mediocrity and that's what this was. There was no place on the Peninsula they would use for this purpose, but they were doing it in West Ashley. The most powerful thing as elected officials was their vote. They deserved better than this. They had one of the greatest building booms during COVID. He still wasn't sure what was going on this property and asked if anyone else did. Chairman Shahid said they sent this out to citizens and had conceptual designs on what would be there. He presented it at his constituent meetings and at the West Ashley Revitalization Commission. Councilmember Waring asked what was going there. Chairman Shahid said they presented this to Council before COVID. At the tip of the property would be a Civic Center. It could have City Offices, meeting space, etc. Councilmember Waring said that those plans had come to them almost two years ago and he was trying to ask if they had voted on those plans and what those plans were. He asked how they could have something coming out there if they never voted on it. There had to be a consensus of at least 7 people for there to be definite plans of what was going in there. It was presented as an idea and never came back as to the funding and how they would go about building a Civic Center. If that idea didn't progress forward, then nothing would happen. Chairman Shahid said they had a conceptual design. They had been going back and forth with Landmark regarding an MOU as to what the City's obligations would be and what their obligations would be. Conceptually, what had been presented to Council and the West Ashley Revitalization Commission was a multi-use piece of property to include a Civic Center, restaurants and retail. He had been told that they would have before them in July that contract/MOU. He had also been frustrated with the lack of progress. Councilmember Waring asked why Landmark was the only game in town when it came to this site. Chairman Shahid said they were the ones who bid on it. They only had the one bid. Councilmember Waring asked why they didn't try again. He asked why they didn't rezone the property if they wanted certain things to happen there and put it out for bid. Landmark couldn't be the only game in town, because when their objectives didn't match the City's, people would have to wait. Chairman Shahid said he didn't know that their objectives were in opposition. Their presentation was consistent with what the community had asked for. The way it was written, they could terminate it on 30 days written notice.

On a motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted to approve the above item. The vote was not unanimous. Councilmember Waring voted nay.

**Request authorization for the Mayor to execute a Temporary Access Agreement between the City of Charleston and GMS Cannon, LLC, granting the City access to 144 and 146 Cannon St. as a temporary construction easement and laydown area to facilitate portion(s) of the Spring/Fishburne stormwater project. The property is owned by GMS Cannon, LLC. (144 Cannon St. and 146 Cannon St.) (TMS Nos. 460-11-04-150 and 460-11-04-151)**

Ms. Bailey said this was a temporary access agreement to provide construction lay down and storage for the Stormwater Department in relation to the Spring/Fishburne project. The monthly lease amount would be \$9,000 for both 144 and 146 Cannon Street. The term would be for 30 months and the City could extend it for an additional 6 months at its discretion. They included some broad language as far as use of the property so that if they ended the use early, and they were still under the terms of the agreement, they could use it for surface parking. There had been one small change after the agendas ran and it was a clerical change. The owner of the property had asked they amend the signature page to reflect the entity that was the managing member of their LLC to sign on behalf of GMS.

Councilwoman Jackson asked if this was the same property they had under contract for this same purpose. Mr. Fountain said they had a permanent easement for the access shaft lid for the terminance of one of the Spring/Fishburne tunnels. The purpose of this was to be able to use the entirety of the property for the Spring/Fishburne project and Ehrhardt project.

On a motion of Councilwoman Jackson, seconded by Mayor Tecklenburg, the Committee voted unanimously to approve the above item.

**Request authorization for the Mayor to execute the attached Easement Agreement between the City of Charleston and the Charleston Area Regional Transportation Authority (CARTA) for the installation and maintenance of a bus bench. The property is owned by the City of Charleston. (44 America St.) (TMS No. 459-09-04-025)**

Ms. Bailey said this was an easement agreement between CARTA and the City to allow CARTA to install and maintain a Charleston Style bench at the bus stop at 44 America Street. It was owned by the City. The original plan was for the bench to be installed on the sidewalk or just outside the City's property line, but SCDOT had concerns about line of sight so CARTA came back and requested putting the bench on the City's property. It was solely at CARTA's expense. They would also provide a trashcan and maintain trash pick up. Councilwoman Jackson asked what the City used the property for. Ms. Bailey stated that was a good question. There was an art installation there.

On a motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted unanimously to approve the above item.

**Request that the City of Charleston City Council authorize the Mayor to execute the necessary documents for the City's acceptance of 1.1 acres of donated land on Heriot Street from HR Charleston VI, LLC, in exchange for 48 housing credits. The property will be used for the development of rental workforce or for sale (homeownership) housing. (2112-2114 Heriot Street, Charleston, SC 29401) (TMS Nos. 464-13-00-008, 464-13-00-011, 464-13-00-012, 464-13-00-013, and 464-13-00-023) [Ordinance]**

Ms. Johnson stated that this was a request for acceptance of 1.1 acres of donated land on Heriot Street. This dated back and was associated with the Magnolia Development Agreement. Within that agreement, there was a workforce housing provision where in that development 15% of the units would

be dedicated to affordable and workforce housing. So, this was their attempt to advance that agenda. They would get 48 housing credits for the donation of the land. The goal was to build approximately 26 attached units of housing. The initial goal was to build ownership and they were evaluating that to make sure they could do that there. The developers/owners had a phase 1 done in October 2017. They were updating that, however the Phase 1 didn't show any environmental degradation to the site. They were excited to receive land free of charge to build more affordable housing.

Chairman Shahid said this did not include the expense of construction. Ms. Johnson said they would have to construct the units. Currently, on the site, there were two older homes they would demolish. At one point, years ago, the same organization wanted to donate those houses, but they had difficulty in moving the housings. At this point, they would have to be demolished to build new construction. Mayor Tecklenburg thanked Highland and the Magnolia team for bringing this proposal forward. It helped the effort to get some affordable housing and gave them some credits. With the price of real estate, it was a good value for the City. Heriot Street was the entryway to the bridge that would lead to the Magnolia Development. They wanted to make an attractive product there and he thought it would make a good statement that the first thing someone saw was affordable housing. Councilwoman Jackson asked what their overall number of units was. Ms. Johnson said initially, there was a projected buildout of 4,000 buildings and 15% of that would be 600, so they would have to build another 552 units of housing. The Clerk said that Ms. Johnson had sent an amended agreement to Council the previous week. The motion should be to approve the amended agreement. Chairman Shahid asked if they knew what the value of the property was. Ms. Johnson said they didn't yet. They had sent it out for a new phase one for a geotech and as soon as they had that, they would share it with Council. Chairman Shahid asked where exactly on Heriot Street this was. Ms. Johnson said it was at the beginning of Heriot Street as you came off of I-26 W. They wouldn't close until they received all the updated documents include the new phase one, appraisal, and geotech to make certain there were no barriers to construct the affordable housing.

On a motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted unanimously to approve the above item.

**Consider the following annexations:**

*1351 Ashley River Road (0.25 acre) (TMS# 418-05-00-001), West Ashley, (District 7). The property is owned by Shubh Labh of Charleston, LLC.*

*1349 Ashley River Road (0.28 acre) (TMS# 418-05-00-002), West Ashley, (District 7). The property is owned by Graphic Glamour Holdings LLC.*

*420 Arlington Drive (0.25 acre) (TMS# 310-12-00-083), West Ashley, (District 5). The property is owned by Olivia L. Vedad.*

*2147 and 2151 River Road (4.78 acres) (TMS# 315-00-00-110; 315-00-00-048), Johns Island, (District 5). The property is owned by Abbi Lake Beckford.*

Mr. Morgan said the first two were adjacent. One had a car wash at present and one had a salon. They would become part of a new convenience store/gas station. The third was a single-family residential and the last one was undeveloped parcels on River Road adjacent to Stono View Development.

On a motion of Councilmember Appel, seconded by Councilwoman Jackson, the Committee voted unanimously to approve the above annexations.

**Request approval for the Mayor to execute a Memorandum of Understanding with Middle Street Partners regarding the continued use of an area under the I-26 overpass for construction storage**

Ms. Copeland stated that Middle Street Partners was currently constructing a mixed-use building at 741 Meeting Street and they were asking for the ability to store their construction materials behind the property. The property was being leased from SCDOT for the future Lowline. SCDOT had signed off on this. Middle Street was asking to use the space for ten months. IN exchange, staff had asked that they return the area to how it started and Middle Street was offering \$250/month in rental money. Under the terms of the SCDOT, any funds they took in rental for an agreement like this would go to the upkeep and maintenance for the Lowline. Councilwoman Jackson asked what condition this was in right now. She asked if they would prefer having it how the Lowline would like it. Mr. Kronsberg said it was a relatively small area. The intent was these folks were using it without authorization and they shut that down. They were accessing the area with large trucks across the sidewalks. Then, they asked if they could use a portion of it to construct their project. The only other access they had was off Meeting Street. It was somewhat of a compromise. Councilwoman Jackson asked if they had to amend the document to collect the \$250. Mayor Tecklenburg stated that this property was the leased area from the SCDOT which was adjacent to the property the City purchased. It was part of the conceptual plan for the Lowline. If they received the \$250 from the leased area, it had to be spent on that leased area and not the City's property.

On a motion of Councilwoman Jackson, seconded by Councilmember Appel, the Committee voted unanimously to approve the above item as amended.

**Executive Session pursuant to Section 30-4-70(a)(2) of the South Carolina Code, to discuss contractual negotiations for the purchase of a Greenbelt grant property**

On a motion of Councilmember Appel, seconded by Councilwoman Jackson, the Committee voted unanimously to go into Executive Session at 4:26 p.m.

On a motion of Councilmember Appel, seconded by Councilwoman Jackson, the Committee voted unanimously to come out of Executive Session at 4:47 p.m.

Chairman Shahid stated no action was taken in Executive Session. They would ask Legal Counsel and others to continue with negotiations.

Having no further business, the Committee adjourned at 4:48 p.m.

Bethany Whitaker  
Council Secretary