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The North End

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the
north
end

cornerstone of downtown columbia

Dale Van Slambrook Jr.
Tyler Lusk
Joe Broerman
Mack Cross
Austin Knapp

subject site

Subject Site



Located on fringe of Columbia's CBD,
approx. 165 acres

52 structures, sheds, & out buildings

SC Lunatic Asylum

- Founded in 1821, Opened 1828

Babcock Building

- National Register of Historic Places
- Central Portion protected by City Ordinance

introduction

market
analysis

development
plan

finance

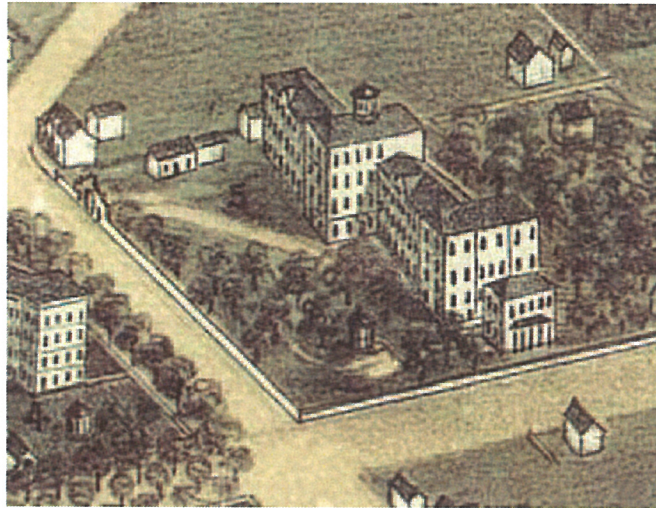
incentives

conclusion



babcock building

1873 S.C. Lunatic Asylum



Babcock Construction Diagram



Built in Four Campaigns

George Walker designed South Wing, established composition, scale and style of entire building

North Wing built in mirror image between 1880-1882

Samuel Sloan designed Center Portion to unite composition, focal point for asylum

introduction

market analysis

development plan

finance

incentives

conclusion



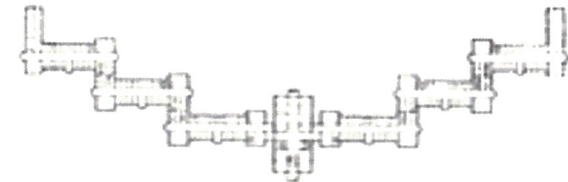
kirkbride approach

Kirkbride Linear Plan

Mid 19th Century Movement, “Beauty is Therapy”

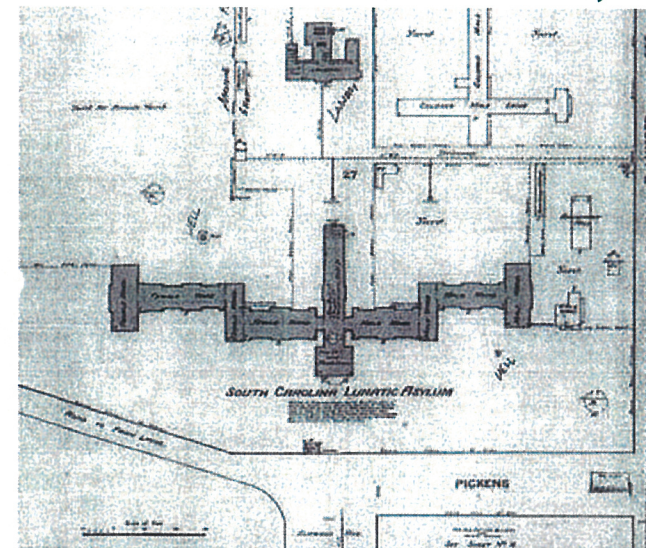
Influenced the design of Mental Asylums before the Civil War

- Central administration building flanked by two wings comprised of tiered wards
- Parks and natural surrounding served to both stimulate and calm patients’ minds with natural beauty



Linear Plan

1888 S.C. Lunatic Asylum



introduction

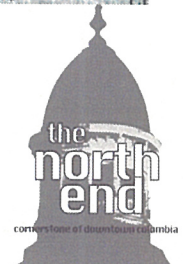
market
analysis

development
plan

finance

incentives

conclusion



current status of kirkbride

79 Mental Asylums listed as influenced by Kirkbride Approach in U.S.

- 38 completely demolished
- 4 partially demolished
- Majority of remaining have fallen into disuse and decay similar to Babcock

St. Elizabeth Master Plan

- 176-acre West Campus
- Located just outside of DC
- Government takes over control
- \$4.1 billion invested in redevelopment
- Not touching The Center Building

St. Elizabeth Hospital- The Center Building



St. Elizabeth West Campus Master Plan



introduction

market
analysis

development
plan

finance

incentives

conclusion



village at traverse commons

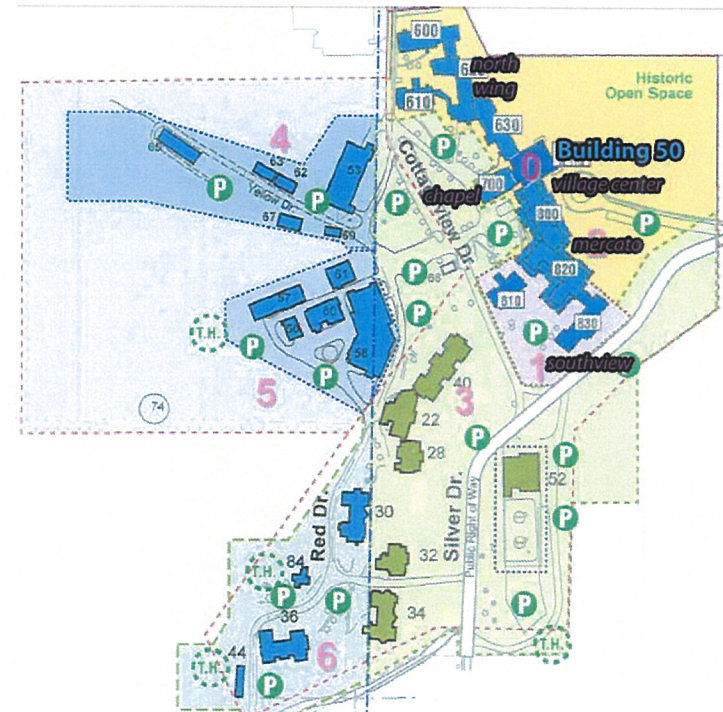
Traverse City Hospital (now Building 50)

- Original Hospital: 388,000 SF
- 1 Mile from Downtown
- Decision to reestablish as Focal Point

Redeveloped into European Town Center

- Currently 230,000 SF redeveloped
- Use Mix: condos, office, retail, restaurants, art galleries, chapel, vacation rentals, farmers market, arboretum
- 63 businesses on site
- 60 full time residences

Village at Traverse Commons Site Map

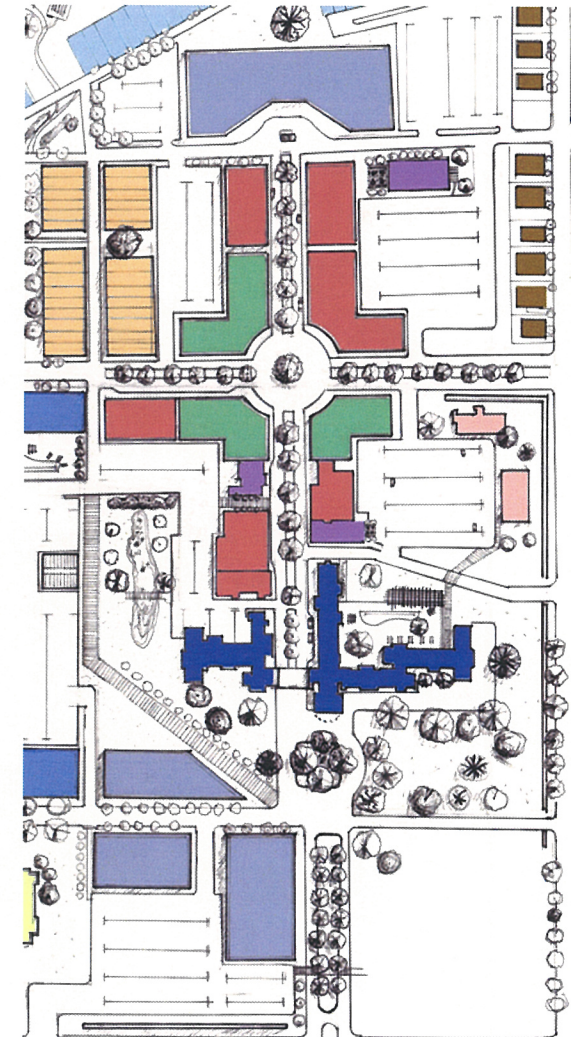


introduction	market analysis	development plan	finance	incentives	conclusion
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babcock as focal point

Mills Drive will *Pierce* the Babcock's North Wing
Reestablish Focal Point
Instant Authenticity
Increase Value on All 4 Surrounding Sides
Respect & Preserve History
New Life to Babcock & other Distinctive Buildings



introduction

market
analysis

development
plan

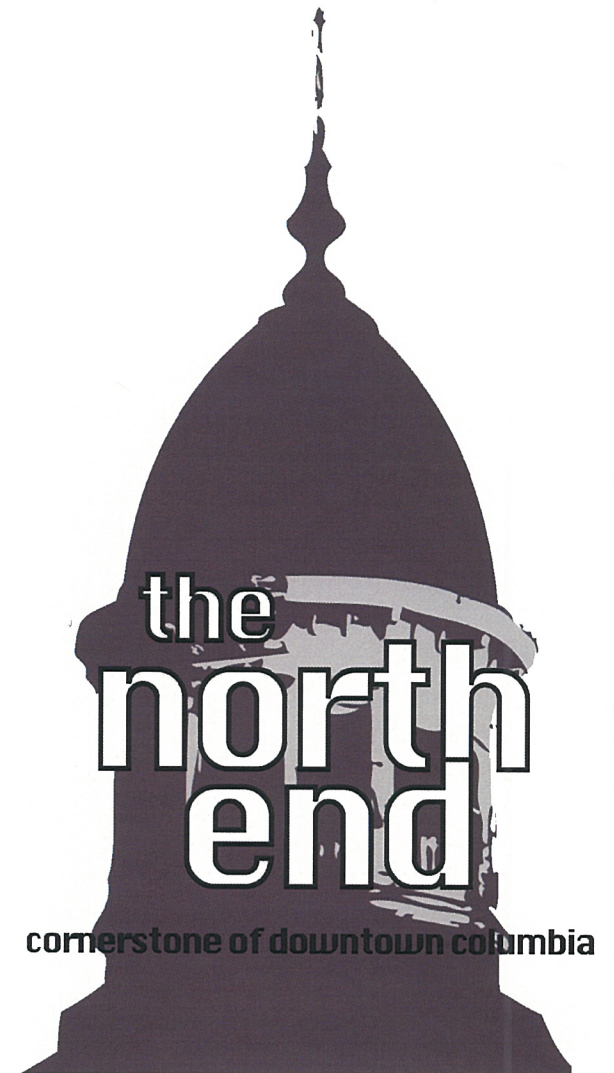
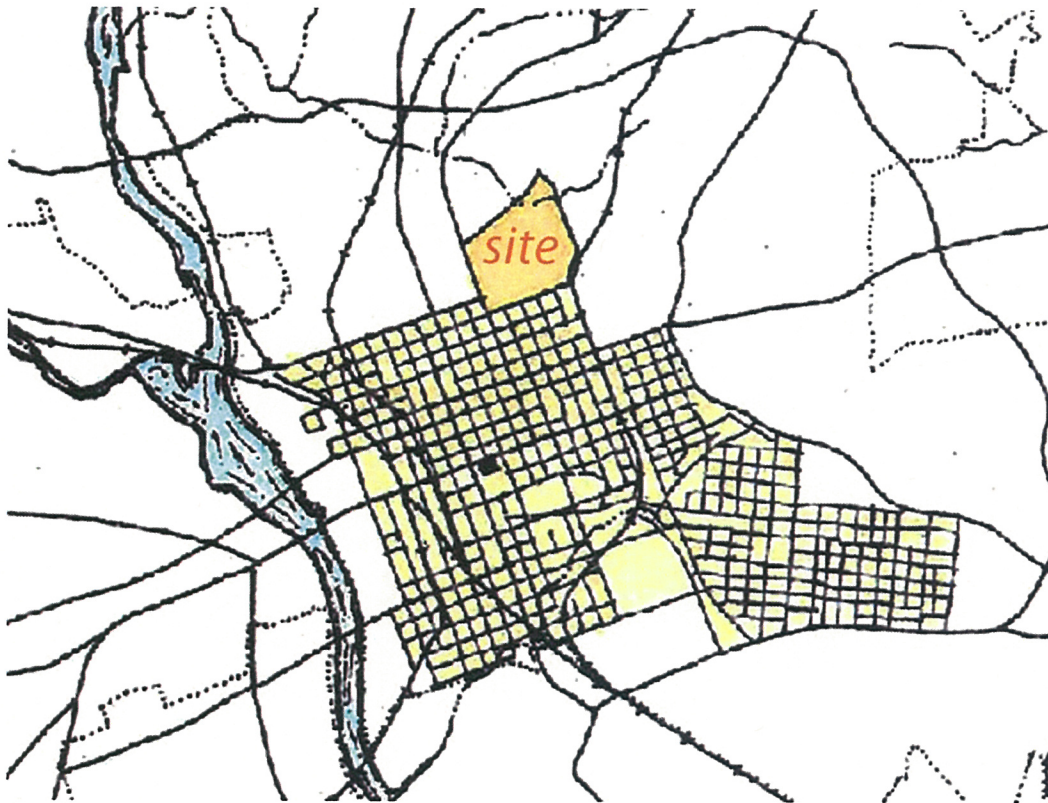
finance

incentives

conclusion

vision

Extending Central Business District
Mixed-Use Destination
Revitalizing Bull Street Corridor
Cornerstone to Downtown Columbia's North End



introduction

market
analysis

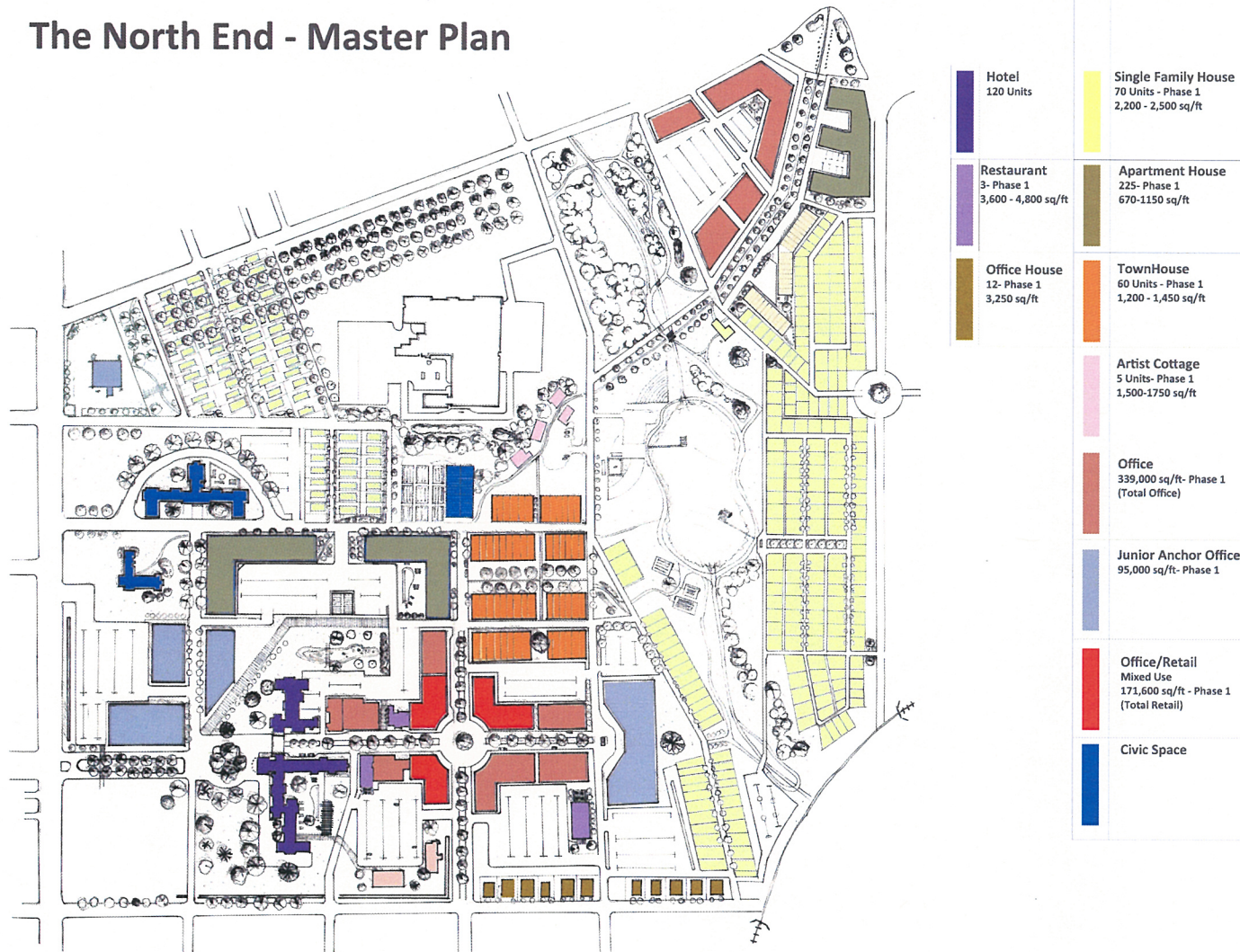
development
plan

finance

incentives

conclusion

The North End - Master Plan



introduction

market
analysis

development
plan

finance

incentives

conclusion

market analysis

Columbia, SC – Market Overview

- Critical importance of a market analysis
- “City of the Future”
- Strategic location of The North End
- Fifth Migration



introduction	market analysis	development plan	finance	incentives	conclusion
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Office Market

Overview

Approximately 9.5 million SF in the Columbia market.

CBD is the strongest submarket in Columbia.

Class A Vacancy is currently 11%

Average Class A Rent is \$20 psf gross.

Development Program

Take advantage of larger tenants to find quality space.

Palmetto Health has expressed strong interest to take 200,000 SF for their administrative headquarters. Rent - \$20 psf gross

Additional 140,000 SF for smaller tenants - \$21-24 sf gross

introduction	market analysis	development plan	finance	incentives	conclusion
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Hospitality Market

Overview

Rising trends make Columbia a safe market.

Recent success of hotel development and limited future supply make Columbia an attractive market.

Revenue has increased 11% per year throughout the recession

Development Program

120 rooms in the rehabilitated Babcock Building

Need for Upscale limited service hotel in the CBD

HISTORIC HOTELS
of AMERICA

NATIONAL TRUST FOR HISTORIC PRESERVATION®

introduction	market analysis	development plan	finance	incentives	conclusion
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Retail Market

Overview

18.5 million SF with a 14% vacancy rate

Urban retail has been the strong point in Columbia's marketplace commanding the highest rents and lowest vacancy rates.

Non-grocery anchored big box anchors do not have a presence downtown

Development Program

Diverse tenant mix of 171,600 Square Feet of Total Retail Space

150,000 SF in six boxes with rents from \$12-\$14 per square foot NNN

21,600 SF of small shop space with rents from \$20-\$23 per square foot NNN

introduction	market analysis	development plan	finance	incentives	conclusion
--------------	-----------------	------------------	---------	------------	------------



Multifamily Market

Overview

Strongest real estate asset class in current marketplace

The Central Business District has vacancy rate of 5%

Lack of comparable product

Strongest rents in the entire market place

Development Program

225 conventional Class A institutional grade units

Excellent Target Market present

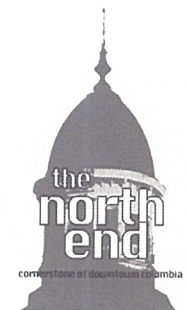
High end amenities

Elevator access

Energy Star Community

Unit Count	Type	Square Feet	Average Rent
135	1/1	670	\$800
90	2/2	850	\$995
20	3/3	1150	\$1350

introduction	market analysis	development plan	finance	incentives	conclusion
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Single Family Market

Overview

Columbia avoided over building and price run ups.

CBD market and surrounding neighborhoods have seen positive growth the past three years.

Urban Neighborhoods and city centers are the most stable and will be for years to come

Development Program

Townhome Component

Lot Price	Bed/Bath	Square Feet	Cost	Unit Count
\$36,000	2/2.5	1,200	\$200,000	30
\$47,000	3/2.5	1,450	\$240,000	30

Single Family Component

Lot Price	Bed/Bath	Square Feet	Cost	Unit Count
\$52,000	3/3	2,200	\$260,000	35
\$55,000	3/3	2,500	\$275,000	35

introduction	market analysis	development plan	finance	incentives	conclusion
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market analysis

Development Summary

Product	Unit Metric	Unit Size (SF)	Price Point
Office		340,000	\$20-\$23 per SF (Gross)
Hospitality	120 Rooms	160,000	\$135.00 Avg. Daily Rate
Retail		171,600	\$12-\$24 per SF (NNN)
Multifamily	225	196,450	\$850-\$1,450
Townhome Lots	70		\$36,000-\$47,000 per lot
Single Family Lots	60		\$52,000-\$55,000 per lot

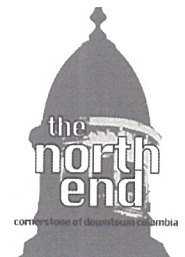
introduction	market analysis	development plan	finance	incentives	conclusion
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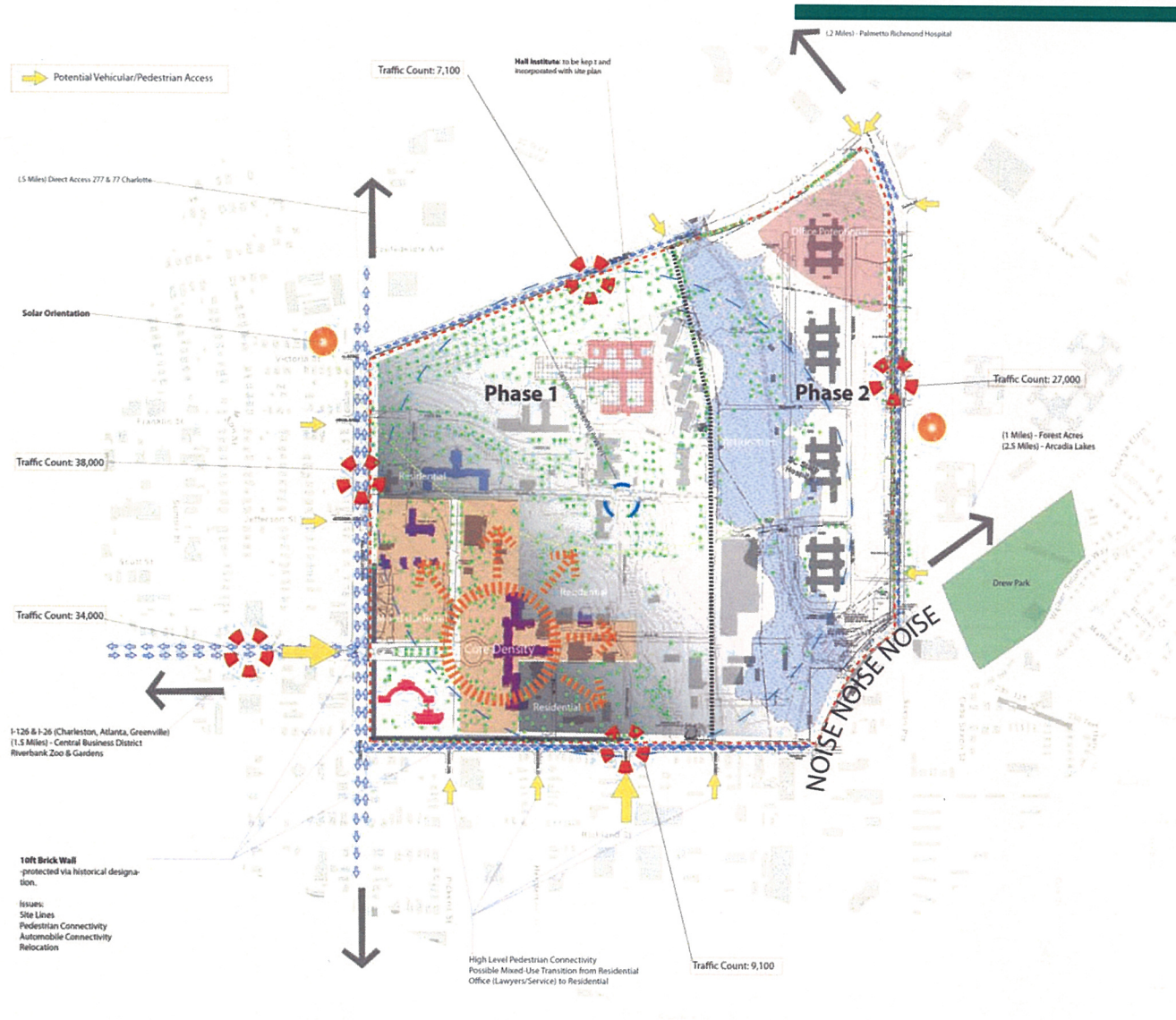
the north end



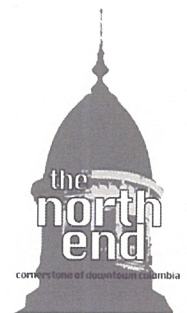
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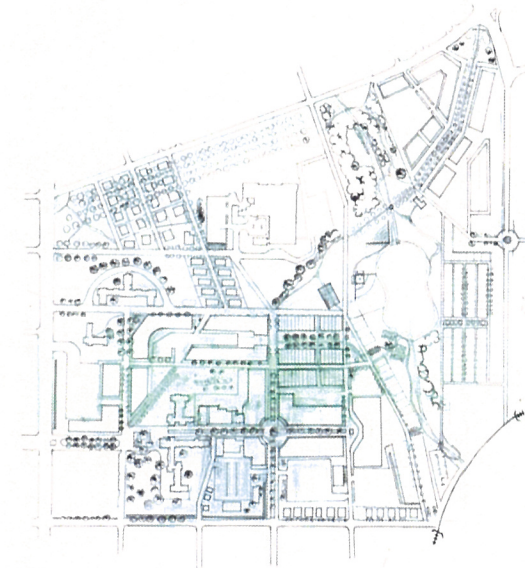
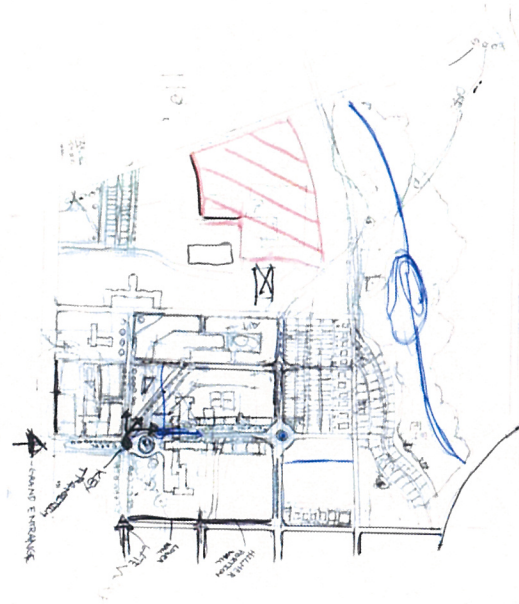
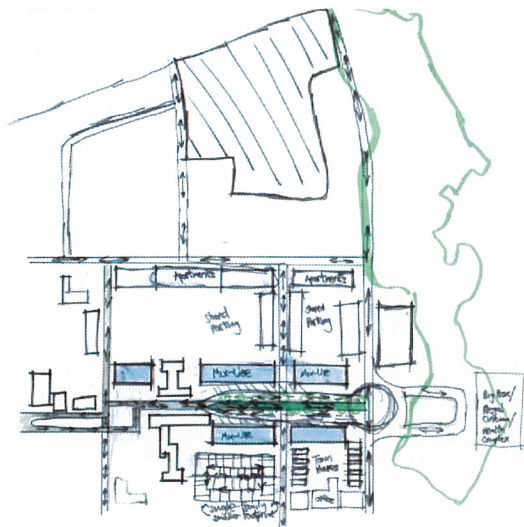
site analysis



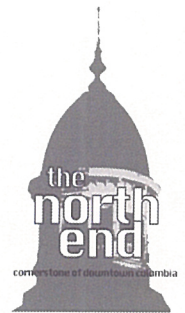
introduction	market analysis	development plan	finance	incentives	conclusion
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iterative process



introduction	market analysis	development plan	finance	incentives	conclusion
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babcock



introduction

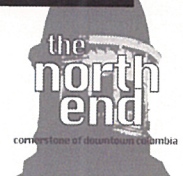
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development
plan

finance

incentives

conclusion





introduction	market analysis	development plan	finance	incentives	conclusion
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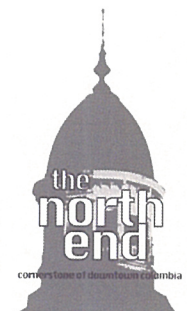


Site Botanical History

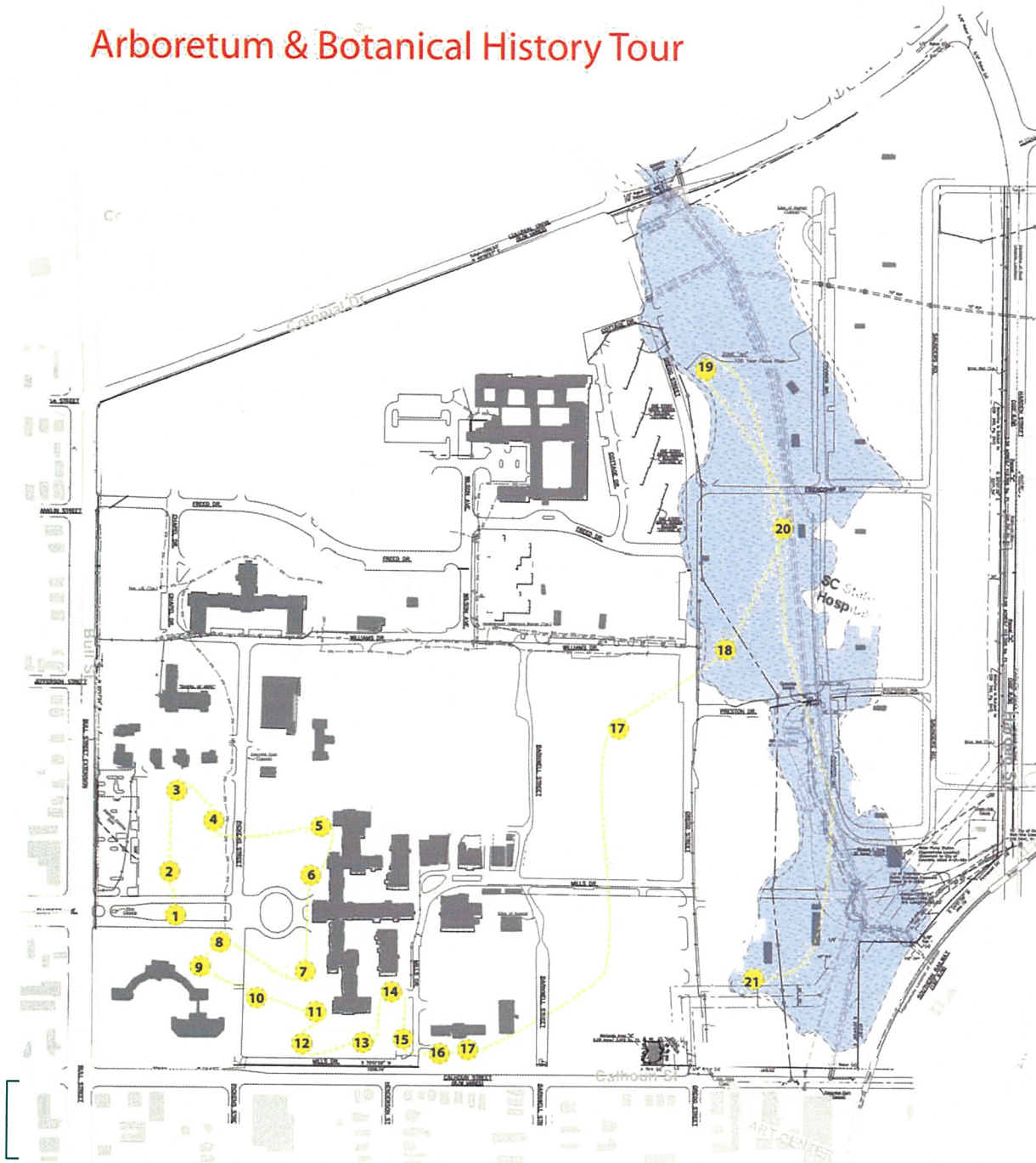
- Designed in Kirkbride system with hortitherapy at the core - allowed for “retrieving of the senses”
- Grounds divided into separate gardens valued by visitors and local dignitaries
- Gardeners became local personages
 - John White
 - Oqui Adair – first Chinese man seen by many Columbians
 - Inspire the book “The Perfect Tempest” written on the civil war
 - Helped hospital remain solvent during bleak financial periods

Governor J.L. Orr – “The green house and flower gardens are places of pleasant resort for the patients. Oqui Adair is always at his post to wait on the ladies. The want of means to repair the house, will cause much damage and the loss of many of his plants this ensuing winter” - 1867

introduction	market analysis	development plan	finance	incentives	conclusion
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Arboretum & Botanical History Tour



- 1 Avenue of Magnolias : The long double row of magnolias leading to the Babcock Building was planted in the late 1890's at the direction of then Superintendent James W. Babcock, M.D. His daughters later reminisced that their father required them to pull a small wagon with loads of water to the saplings during drought periods.
- 2 Oak Lane: This grouping of oaks once decorated the home grounds of Colonel William Wallace and his son. The original homes that were constructed in the 1840's have been moved, but early landscaping and later additions surround you in this area
- 3 Carolina Cherry Tree
- 4 Cork Oak : This area has been home to cork oaks for approximately 150 years. The original acorns were obtained from Mexico City. The original died from boring attacks, but the current specimen sprouted from the original. A botanist by the name of Ben Gardener successfully sprouted and distributed thousands of cork oaks from acorns from the original tree.
- 5 Sasanqua Camellia
- 6 Banana Shrub: This specimen was planted in the early 1870's as an ornamental to the Babcock Building
- 7 American Beech
- 8 American Holly
- 9 Deodar Cedar
- 10 Avenue of Crafted Red Dogwoods
- 11 Black Walnut Tree
- 12 Avenue of Oaks
- 13 Tung Oil Tree: Columbia is near the furthest range of the Tung Oil, the tree sprouts and grows readily.
- 14 Tree of Heaven
- 15 Chestnut Oak
- 16 Chaste Tree
- 17 Privet Ligustrum
- 18 Pecan
- 19 Sugar Berry
- 20 Crape-Myrtle
- 21 Sugar Maple
- 22 EXIT: As you leave this area to return to the Mills Building, you will walk beside a 12-foot high brick wall and gate that runs along Calhoun Street. This is part of a wall that completely surrounded the original asylum grounds. It was constructed mainly to keep the noise, weirs, and tears out. A major portion of the wall was torn down, and the bricks were used to build the Chapel of Hope on the tour in 1965.

perspective



introduction

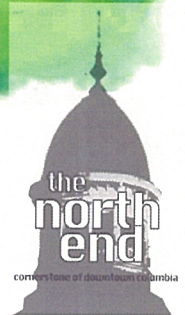
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analysis

development
plan

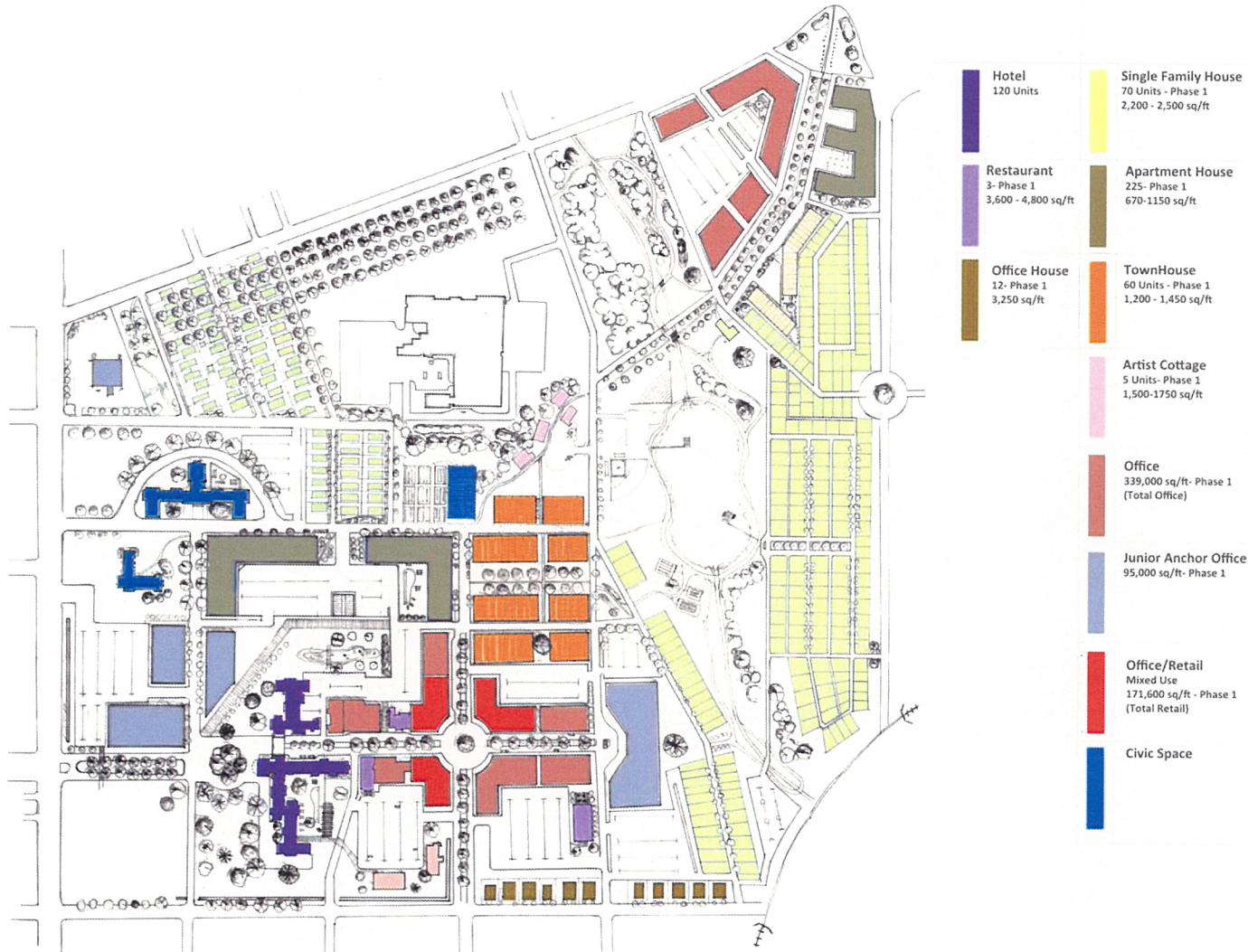
finance

incentives

conclusion



the master plan



introduction

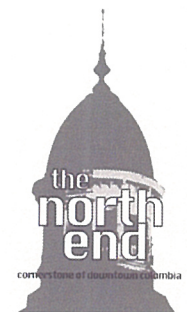
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analysis

development
plan

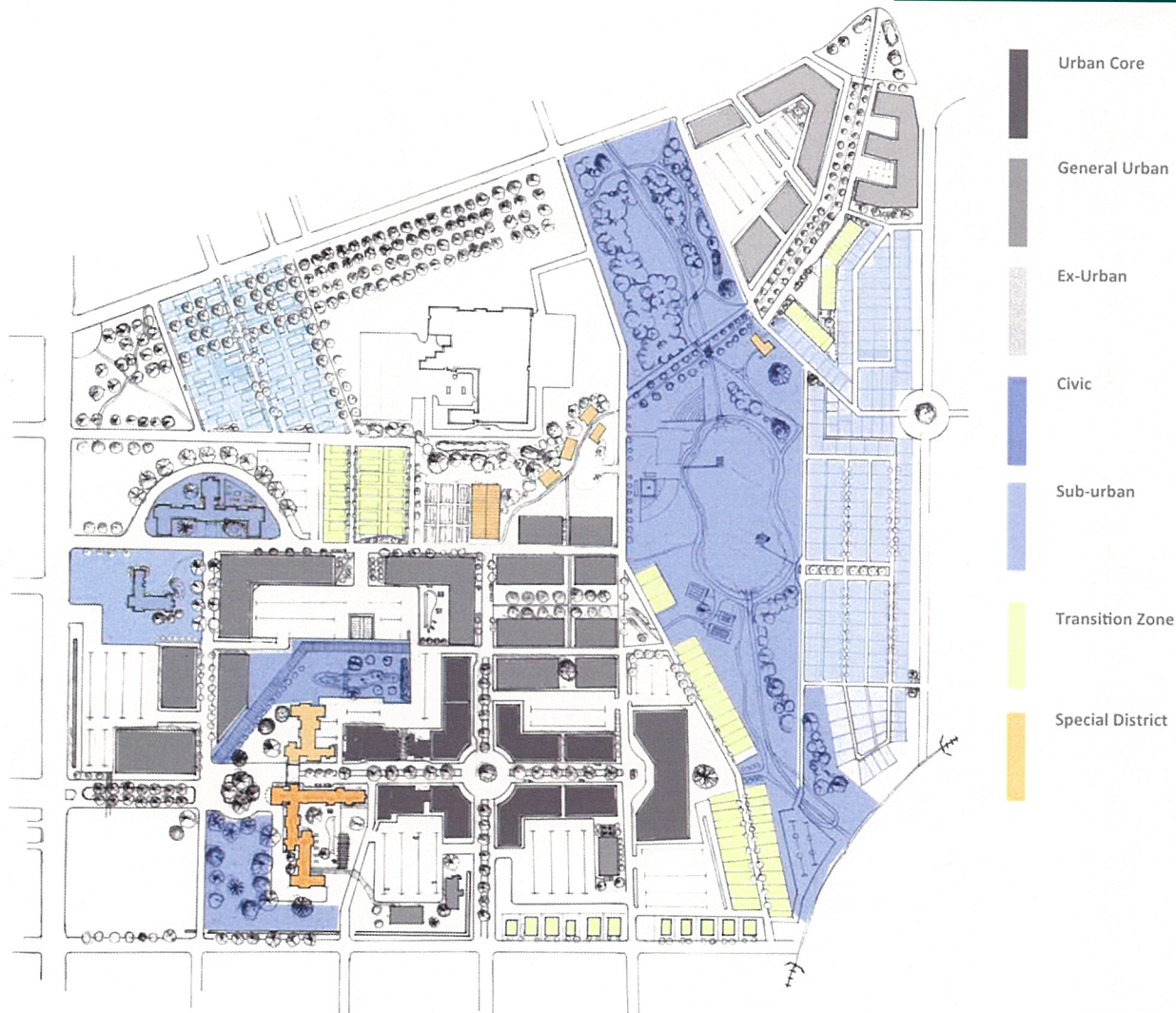
finance

incentives

conclusion



regulating plan



introduction

market
analysis

development
plan

finance

incentives

conclusion



perspective



introduction	market analysis	development plan	finance	incentives	conclusion
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new and integrated

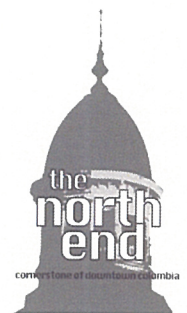
The North End - New and Existing Roads



- Existing Street Grid
- Integrated Street Grid

New additions to street grid provides for connectivity, walkability, maneuverability, cohesive site plan

introduction	market analysis	development plan	finance	incentives	conclusion
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green space



introduction

market
analysis

development
plan

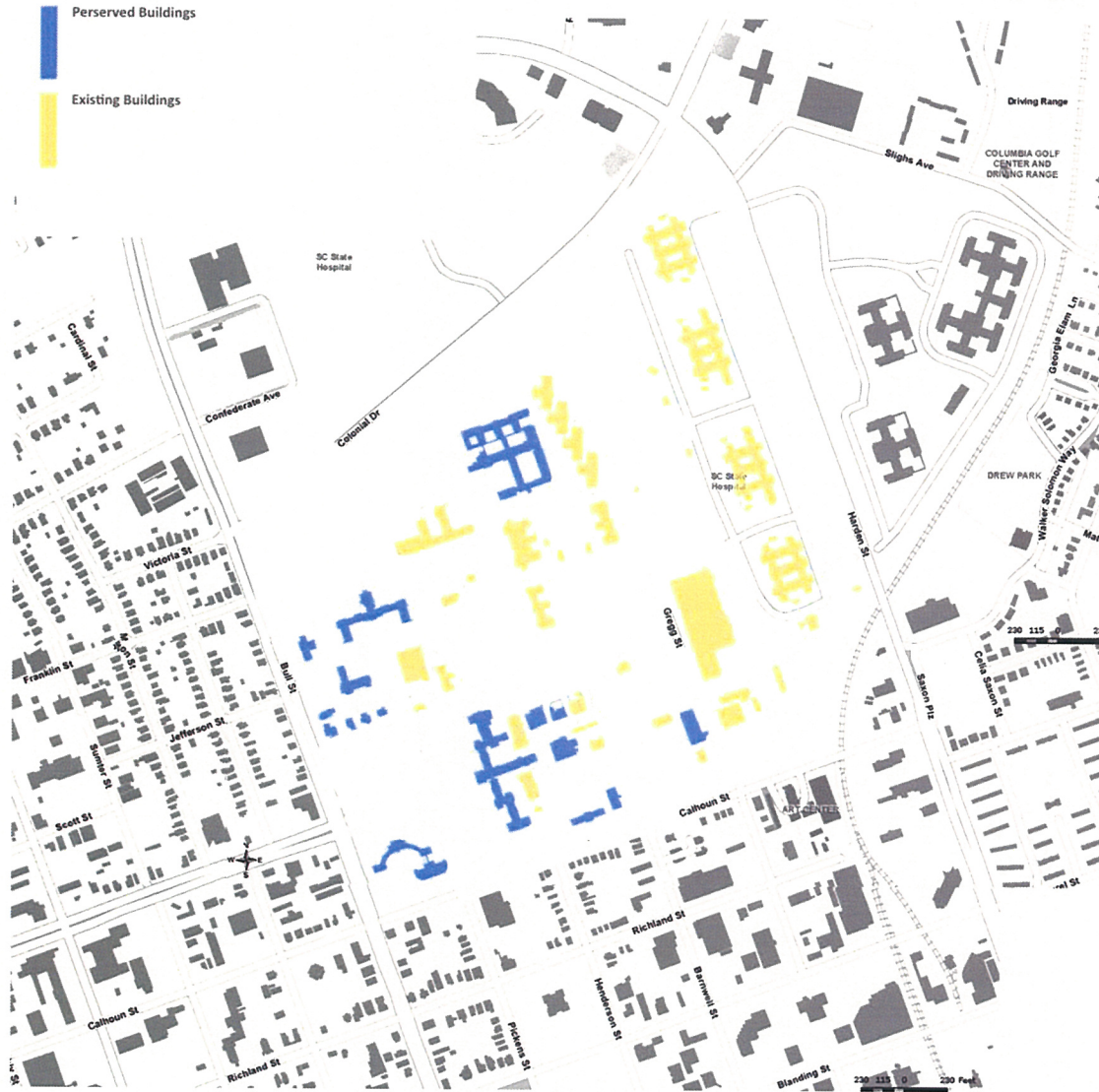
finance

incentives

conclusion



preserved buildings



- 5 Physicians Cottage
- Babcock
- Williams Building
- Bakery
- Linen Building
- Chapel of Hope
- Laborde Building
- Parker Annex
- Vehicle Operations
- Mattress Shop

introduction

market
analysis

development
plan

finance

incentives

conclusion

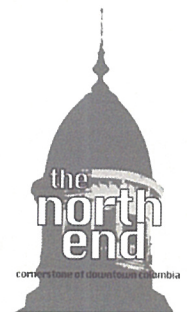


architectural typologies

Inspirations

- Local Neighborhoods
 - Shandon
 - Elmwood Park
 - Cottontown
 - Lake Carolina
- Lowcountry and Carolina Piedmont
 - Charleston, SC
 - Beaufort, SC
 - I'on – Mt. Pleasant, SC

introduction	market analysis	development plan	finance	incentives	conclusion
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hotel

before



after



introduction	market analysis	development plan	finance	incentives	conclusion
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hotel

before



after



introduction

market
analysis

development
plan

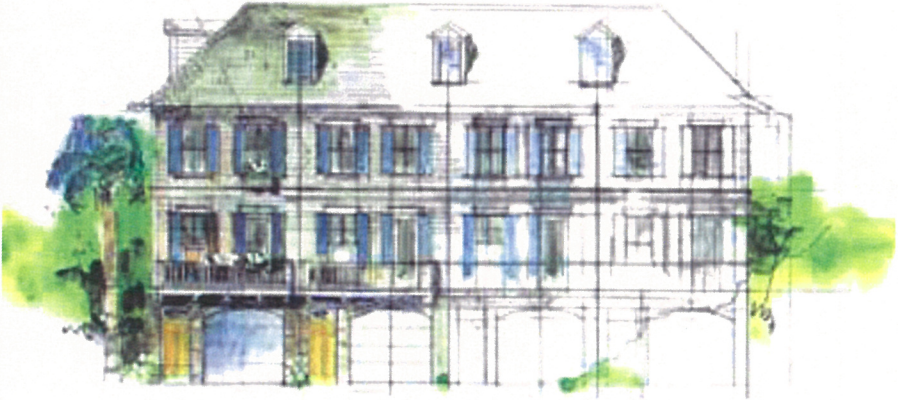
finance

incentives

conclusion



townhomes



introduction	market analysis	development plan	finance	incentives	conclusion
--------------	-----------------	-------------------------	---------	------------	------------



apartments



introduction	market analysis	development plan	finance	incentives	conclusion
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single family



introduction

market
analysis

development
plan

finance

incentives

conclusion

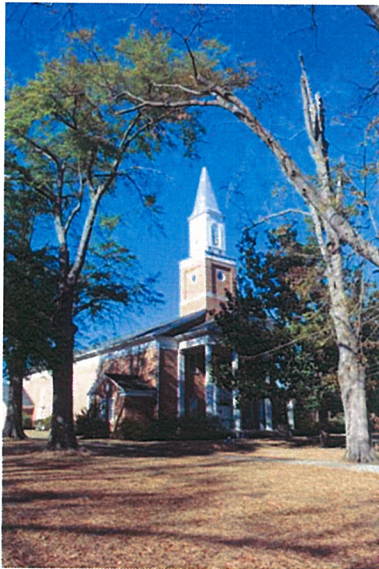
mixed-use office/retail



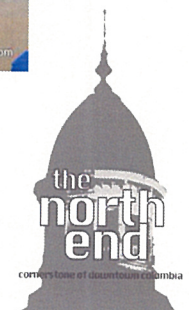
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civic



introduction	market analysis	development plan	finance	incentives	conclusion
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perspective



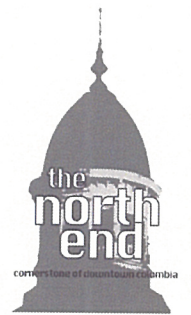
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perspective



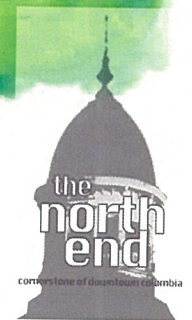
introduction	market analysis	development plan	finance	incentives	conclusion
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perspective



introduction	market analysis	development plan	finance	incentives	conclusion
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parcel pricing plan

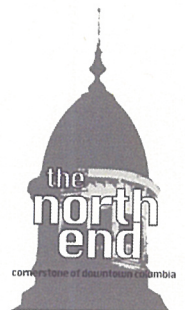


Parcel	Price
Block 1	\$ 500,000
Block 2	1,000,000
Block 3	2,000,000
Block 4	2,200,000
Block 5	1,800,000
Block 6	700,000
Block 7	500,000
Block 8	2,200,000
Block 9	600,000
Block 10	1,100,000
Block 11	2,400,000
Total	\$ 15,000,000
Phase 1 Total	\$ 10,900,000

Takedown Schedule

- Year 1 – Blocks 1,3,8
- Year 2 – Blocks 2,5
- Year 3 – Blocks 7,4
- Year 4 – Block 6

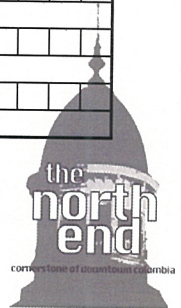
introduction	market analysis	development plan	finance	incentives	conclusion
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Project Schedule

Description	2011				2012				2013				2014				2015				2016				2017				2018				2019				2020				2021							
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
Stage 1																																																
Due Diligence																																																
Entitlements																																																
Hughes Land Closing																																																
Parcel Takedown 1																																																
Infrastructure Improvements																																																
Demolition																																																
Environmental Remediation																																																
Pad Sales																																																
Construction																																																
Pre Lease, Sales, Marketing																																																
Lease-Up																																																
Stage 2																																																
Parcel Takedown 2																																																
Pad Sales																																																
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Lease-Up																																																

introduction	market analysis	development plan	finance	incentives	conclusion
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development budget

SUMMARY				
LAND DEVELOPMENT:				
Land Acreage			96 Acres	
Land Acquisition Price (Phase 1)		10,900,000		
Land Price per Sq. Ft.		\$2.61		
Land Carrying Cost - Real Estate Tax		50,000		
Commission	1.00%	109,000		
<u>Land Development</u>	<u>Units</u>	<u>Total</u>	<u>Per Unit</u>	<u>Metric</u>
Road Improvements	10,540	3,162,000	300 LF	
Environmental Remediation	60	1,500,000	25,000 Acre	
Sitework	42	6,300,000	150,000 Acre	
Demolition & Abatement	220,000	550,000	2.50 SF	
Tree Relocation	12	240,000	20,000 Each	
Intersections	7	420,000	60,000 Each	
Cottage Relocation	3	300,000	100,000 Each	
Landscaping	30	300,000	10,000 Acre	
Landscaping Around Hall Institute	6	60,000	10,000 Acre	
Total Land Development		12,832,000		
TOTAL LAND COST (TLC)		\$23,891,000		

introduction	market analysis	development plan	finance	incentives	conclusion
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Land Development = \$ 23,891,000

development budget

HARD COST:				
<u>General Contract:</u>				
		<u>Rentable SF</u>	<u>Cost/RSF</u>	<u>Total Cost</u>
Apartment Base Hard Cost	27.57%	196,450	75.00	14,733,750
Retail Base Hard Cost (shell only)	2.41%	17,160	75.00	1,287,000
Office Base Hard Cost (shell only)	47.57%	339,000	105.00	35,595,000
Hotel Base Hard Cost	22.45%	160,000	225.00	36,000,000
Total General Contract (TGC)		712,610		87,615,750
<u>Upfit Cost:</u>				
Retail Tenant Upfit		17,160	44	755,040
Office Tenant Upfit		339,000	50	16,950,000
Hotel Upfit		160,000	40	6,400,000
Total Upfit Cost				24,105,040
Total Construction Cost/Hard Cost				111,720,790
Hard Cost Contingency				750,000
General Contractor Fee	3.00%			3,351,624
LEED Premium	5.00%			1,675,812
TOTAL HARD COST				\$117,498,226

introduction	market analysis	development plan	finance	incentives	conclusion
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Land Development = \$ 23,891,000
 Hard Cost = \$117,498,226

development budget

SOFT COST:		
		<u>Total</u>
Design Services	3.00%	3,524,947
Engineering	3.00%	3,524,947
Loan Costs		100,000
Developers Fee		500,000
Advertising & Promotion	1.00%	1,174,982
General & Administration		250,000
Contingency		500,000
Environmental	0.03%	29,375
Appraisal		25,000
Legal, title and recording	1.00%	1,174,982
Loan Fee	1.50%	1,762,473
Insurance		45,000
Retail Commission	6.00%	213,290
Office Commission	6.00%	2,400,000
TOTAL SOFT COST (TSC)		<u>\$15,224,996</u>

introduction	market analysis	development plan	finance	incentives	conclusion
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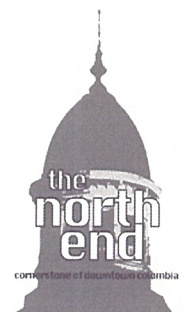


Land Development = \$ 23,891,000
Hard Cost = \$ 117,498,226
Soft Cost = \$ 15,224,996

development budget

Total Development Cost = \$156,614,222

introduction	market analysis	development plan	finance	incentives	conclusion
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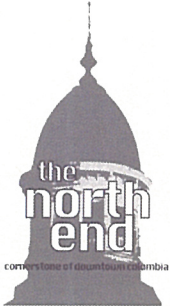
return summary

Return Summary
 Project: The North End
 Location: Columbia, SC

Stabilized Year of 2016	
Net Operating Income*	\$10,035,557
Total Development Cost	\$156,614,222
Return on Cost*	6.31%
Return on Equity*	13.56%
Developer Profit at Sale	\$148,589,986
Unleveraged IRR	9.31%
Leveraged IRR	18.91%
DSC*	1.86
Net Present Value @ 10%	\$32,554,618
LTC	53.44%

*6 year average starting at stabilization

introduction	market analysis	development plan	finance	incentives	conclusion
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incentives utilized

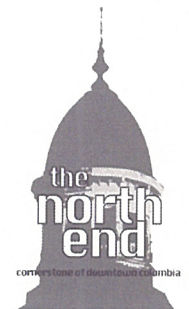
	<u>Equity Amount</u>
▪ New Market Tax Credit	\$13,270,746
▪ Tax Increment Financing	\$6,787,000
▪ Historic Preservation Tax Credits	\$230,000
▪ State Building Redevelopment Tax Credits	<u>\$7,332,500</u>



Potential Public Investment

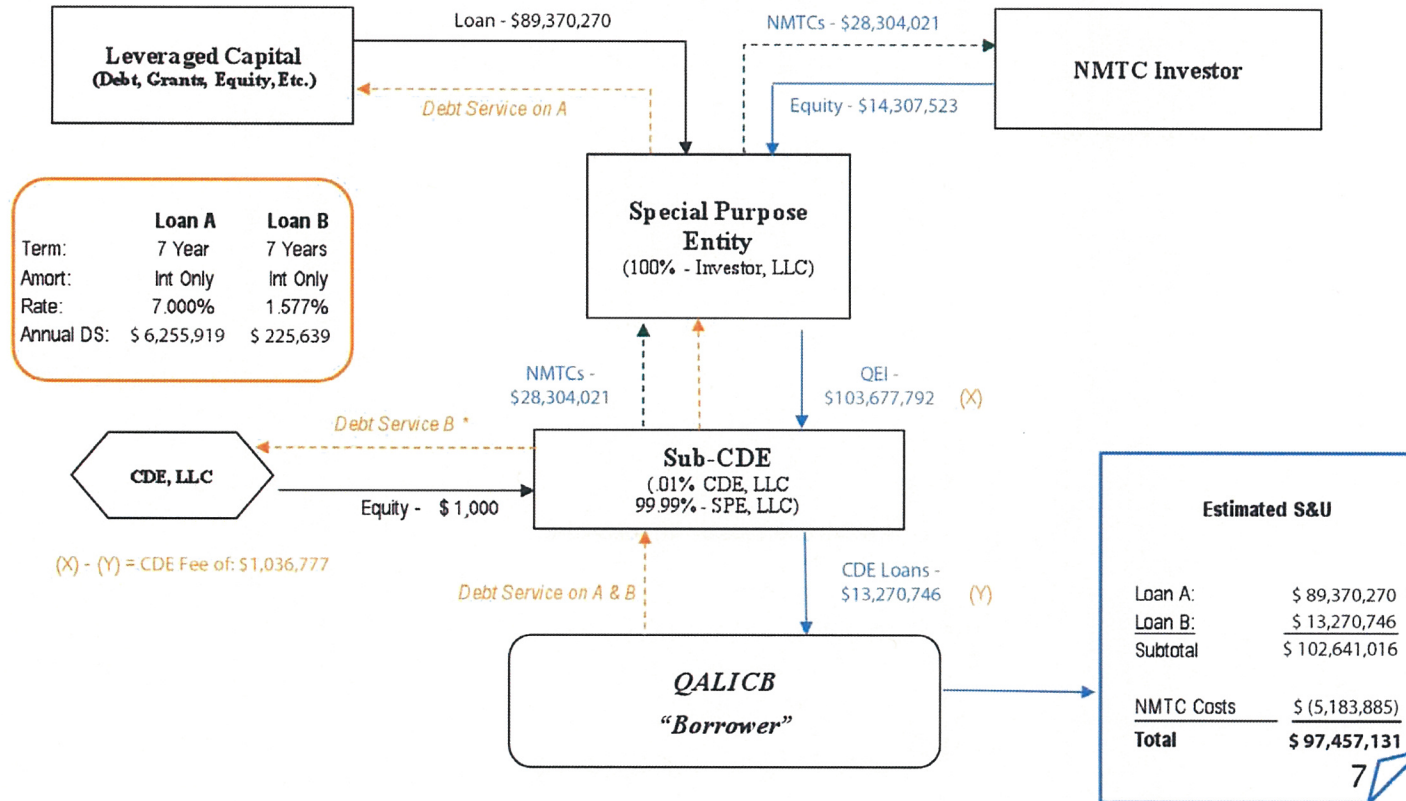
\$27,620,246

introduction	market analysis	development plan	finance	incentives	conclusion
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new market tax credits

\$ 103 Million QEI



NMTC Phase 1 Summary

- Net Equity = \$13,270,746

introduction	market analysis	development plan	finance	incentives	conclusion
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tax increment financing

What does it do?

TIF promotes economic development by employing future gains in tax revenue to finance current public improvements

Columbia Renaissance Plan TIF District

“But for...”

In SC, a project must satisfy the “but for” provision in order to be approved for TIF financing



The North End Financial Gap = \$6,787,000

introduction	market analysis	development plan	finance	incentives	conclusion
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riverplace greenville, sc

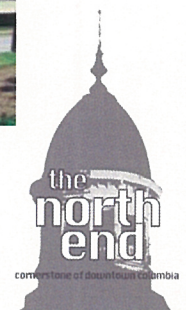
- Master Developed
- Important anchor to revitalized downtown Greenville
- Successful public/private partnership
- Development Incentives: TIF Bonds/Funds

Use Components: hospitality, office, retail, condominiums, and restaurants

Public Investment	\$17.4 mm
Private Investment	<u>\$50 mm</u>
Total Project Investment	\$67.4 mm



introduction	market analysis	development plan	finance	incentives	conclusion
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historic preservation tax credits

MDP utilized the 10% tax credit for rehabilitation of non-historic, non-residential buildings built before 1936

Buildings Utilizing Credit:

Bakery Building



Laundry Building



Total Tax Credits: \$230,000

introduction	market analysis	development plan	finance	incentives	conclusion
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craddock-terry hotel lynchburg, va

- Adaptive Re-use
- Member of Historic Hotels of America
- Average Daily Rate: \$169
- Cornerstone of Lynchburg Revitalization Project



introduction	market analysis	development plan	finance	incentives	conclusion
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s.c. public building redevelopment tax credits

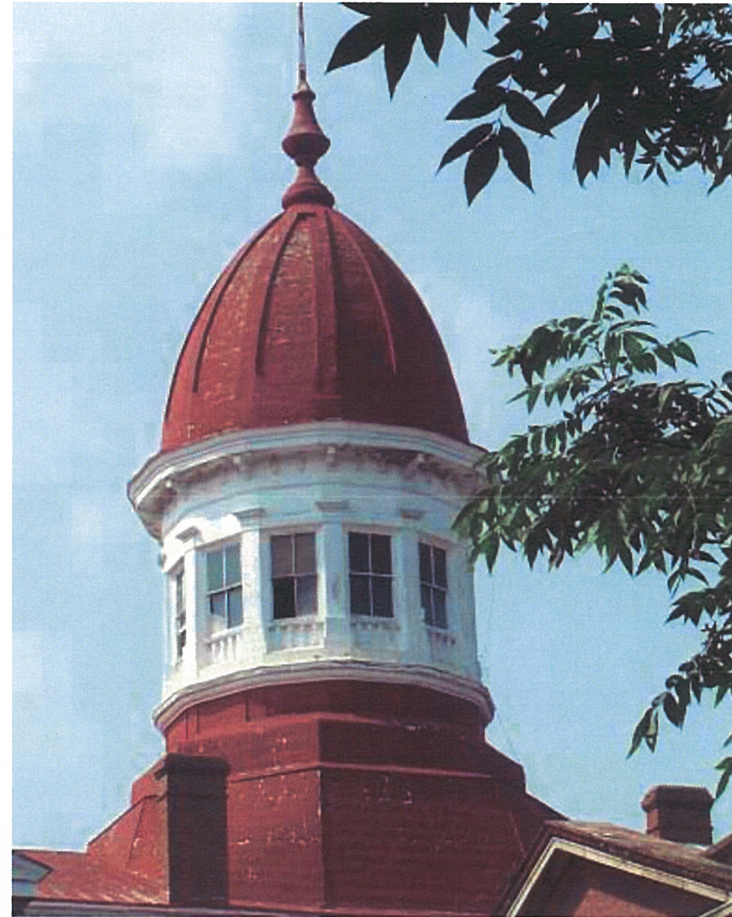
What buildings qualify?

*Abandoned public buildings
(Babcock)*

How much?

*25% of costs to refurbish, less land
basis*

Total Tax Credits: \$7,332,500



introduction	market analysis	development plan	finance	incentives	conclusion
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