

## COMMITTEE ON REAL ESTATE

April 9, 2019

A meeting of the Committee on Real Estate was held this date beginning at 4: 03 p.m. at City Hall, 80 Broad Street, First Floor Conference Room.

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

### PRESENT

Chairman Moody, Councilmember White, Councilwoman Jackson, Councilmember Waring, and Mayor Tecklenburg **Also Present:** Christopher Morgan, Susan Herdina, Matt Fountain, Matt Frohlich, Tracy McKee, and Bethany Whitaker, Council Secretary

The meeting was opened with an invocation provided by Councilwoman Jackson.

### Approval of Minutes

On the motion of Councilmember White, seconded by Mayor Tecklenburg, the Board voted unanimously to approve the minutes of the March 26, 2019 Real Estate Meeting.

### Approval of Termination of Lease between 160 St. Phillips St., LLC and the City pertaining to the parcel of land at the northeast corner of Morris and St. Philip Street (TMS No. 460-12-02-054), currently leased by the City for parking use. (Northeast corner of Morris and St. Philip Street)

Ms. Herdina said that they had been asked to defer this for two weeks because the original deal was to let the lease expire several months from now. They were now looking at the possibility that they might want to let the original lease run out and let the parking continue on the lot for a few more months.

Chairman Moody asked what the advantage would be of terminating early other than not having to pay. Ms. Herdina said that the other party had originally asked for an early termination because they wanted to get moving forward with their parking arrangement, but she thought they had reconsidered that and thought that they would be better off continuing with the parking there and then start his construction project later. Mayor Tecklenburg said that he thought that they had gotten BAR approval but that they didn't have construction documents yet, so if they terminated the lease right now, he wouldn't be able to start right away.

Councilwoman Jackson asked what the City was paying on the lease. Mr. Frohlich said that the current lease was set to expire on October 23<sup>rd</sup>, 2019. The way it was set up was that the City paid \$6,500 per year in January, plus property taxes. Then, there was an additional rent clause that essentially said that if the City went over the threshold, which was a quarter of those two things, per quarter, plus the operational expenses, they got 47% of that additional revenue. The only way they had seen that happen was that 55 of the spaces were rented by the College of Law, so when the semester billing happened, that was the only time they saw the revenue tick high enough to have that happen. The City had a good deal on the parking lot because the rent was so low. Councilmember White asked what the net income was based on the scenario Mr. Frohlich had just given. Mr. Frohlich said that they were probably only making a little less than \$100,000. It wasn't a big money-making lot, because there were only 65 spots. It went into the parking fund.

On the motion of Councilmember Waring, seconded by Councilmember White, the Committee voted unanimously to defer the above item.

**Consider the following annexation:**

*2037 Lake Shore Drive (TMS #: 343-03-00-156) 0.21 acre, James Island (District 11). The property is owned by East Bay Air, LLC.*

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

**Miscellaneous/New Business**

Councilmember Waring said he had gotten a call from David Bennett, Executive Director of Charleston County Park and Recreation Commission. There was a piece of property off of Camp Road that backed up to a little creek. The owner was 93 years old and interested in selling it and he owned parcels. Councilmember Waring thought the City should get in contact with the owner and see what the number was. Mr. Bennett had said that he thought there was a possibility to keep it in the public's hand. The owner lived on it in a small house. Councilmember Waring thought the owner was interested in selling, but wanted the right to still live there. It had some history to it as there used to be an old schoolhouse on the land. Mayor Tecklenburg said he was familiar with the property across the street. The Brown family had sold it to Bishop Gadsden and he represented the Brown family for a while when they were trying to sell it. There had been an archaeological survey done and that spot had many Native American artifacts found on it, so the property they were talking about probably had the same.

Chairman Moody asked what Bishop Gadsden was doing with their property and Mayor Tecklenburg said he thought they were building adjacent to it, but they wanted the property to have a back door to get in and out. He hadn't seen the plans.

Councilmember Waring said that the owner trusted Mr. Bennett a lot, so Mr. Bennett wanted to be somewhat of a convener. The owner was motivated, and if the City didn't step in, but private sector would.

Having no further business, the Committee adjourned at 4:14 p.m.

Bethany Whitaker

Council Secretary