



3600 Rivers Avenue Update – May 15, 2018

BACKGROUND

May 2014 – As a Tenant:

- Council endorsed Social Services Hub Concept
- 25 Year Lease \$43 M (Approx.)
- Current Need 93,000 SF (Approx.)
 - DAODAS
 - DHEC
 - Vital Records

Early 2017 – Options Explored

- Current Need Offsite
- Current Need Onsite
- Renovation of 3600 Rivers

November 2017 – New Owners

- 400,000 SF Building
- 71 room Barracks
- 23 Acre Site

UPDATES INCLUDE



1. What is the Current Working Estimate to Occupy?



2. What Do We Get?



3. When Can We Occupy?

PROCESS

Change Recognition

- Ownership
- Codes – 1965 to 2018
- Dormancy – Prolonged Vacancy

Basis of Recommendations

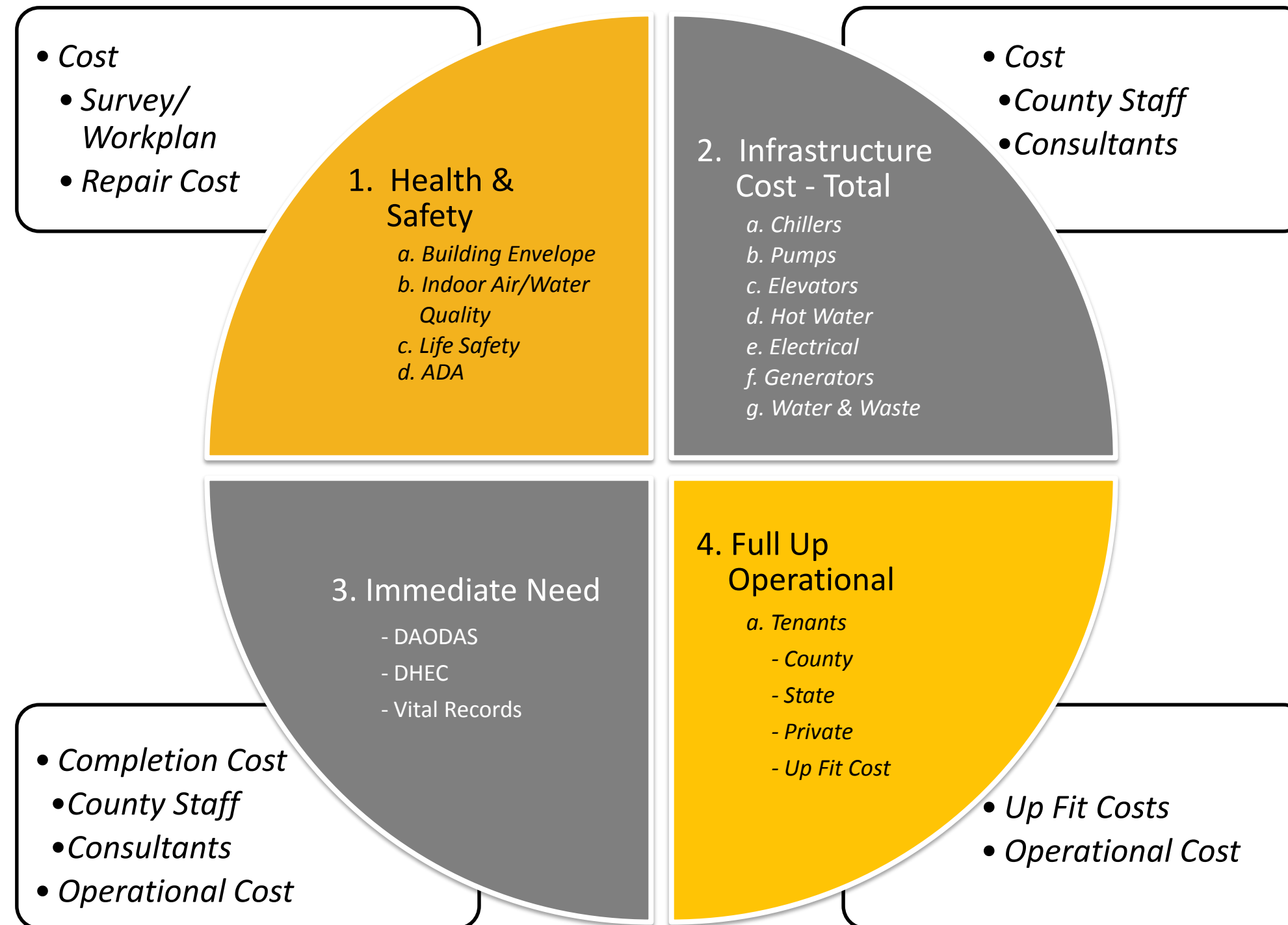
- Facts Gathered After Closing (since 11/10/17)

Assessment Philosophy

- Cool – Safe – Dry
- Conditions or Constraints to Occupancy



TEAM TRANSITION



TO HELP ANSWER THESE QUESTIONS

The Following Team Assembled

- Architectural- McMillan Pazdan Smith
- MEP- Live Oak Consultants
- Structural- 4SE
- Life Safety / Fire Protection / Seismic-
Jensen Hughes
- Environmental- SME
- Civil / Site- Forsberg
- Roofing- Stafford
- County Service Vendors



WHAT IS THE CURRENT WORKING ESTIMATE TO OCCUPY?

1. Building Renovation
 - a) Tenant Space
 - b) Owner / Landlord Core and Shell
 - c) Seismic Retrofit
2. Fire Protection
3. Roof Replacement
4. Exterior Wall/Window Repair
5. Transformer Replacement
6. Site and Utility Repairs
7. Elevator Modernization
8. Asbestos/Mold Remediation
9. Asbestos Abatement

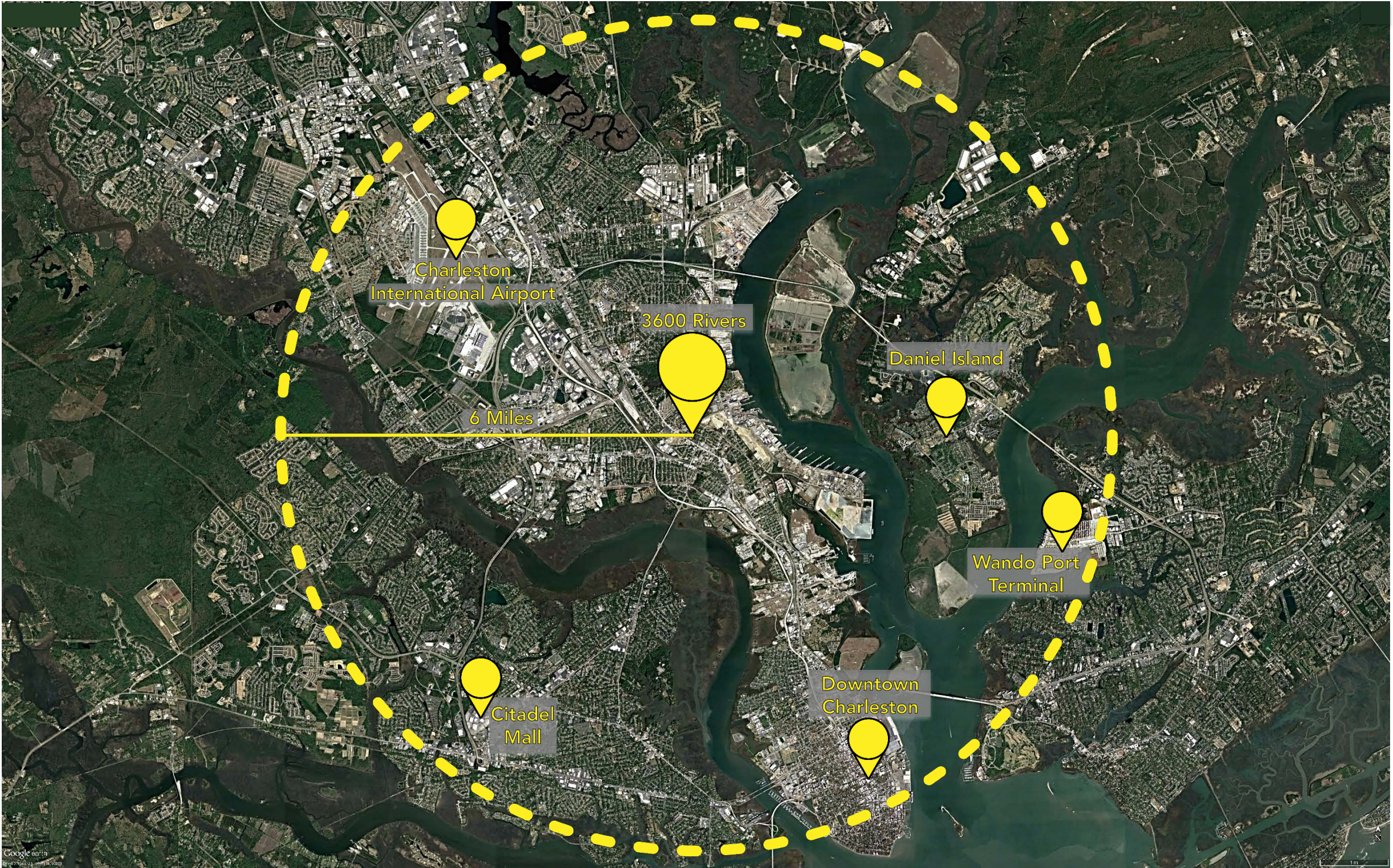


\$66 M

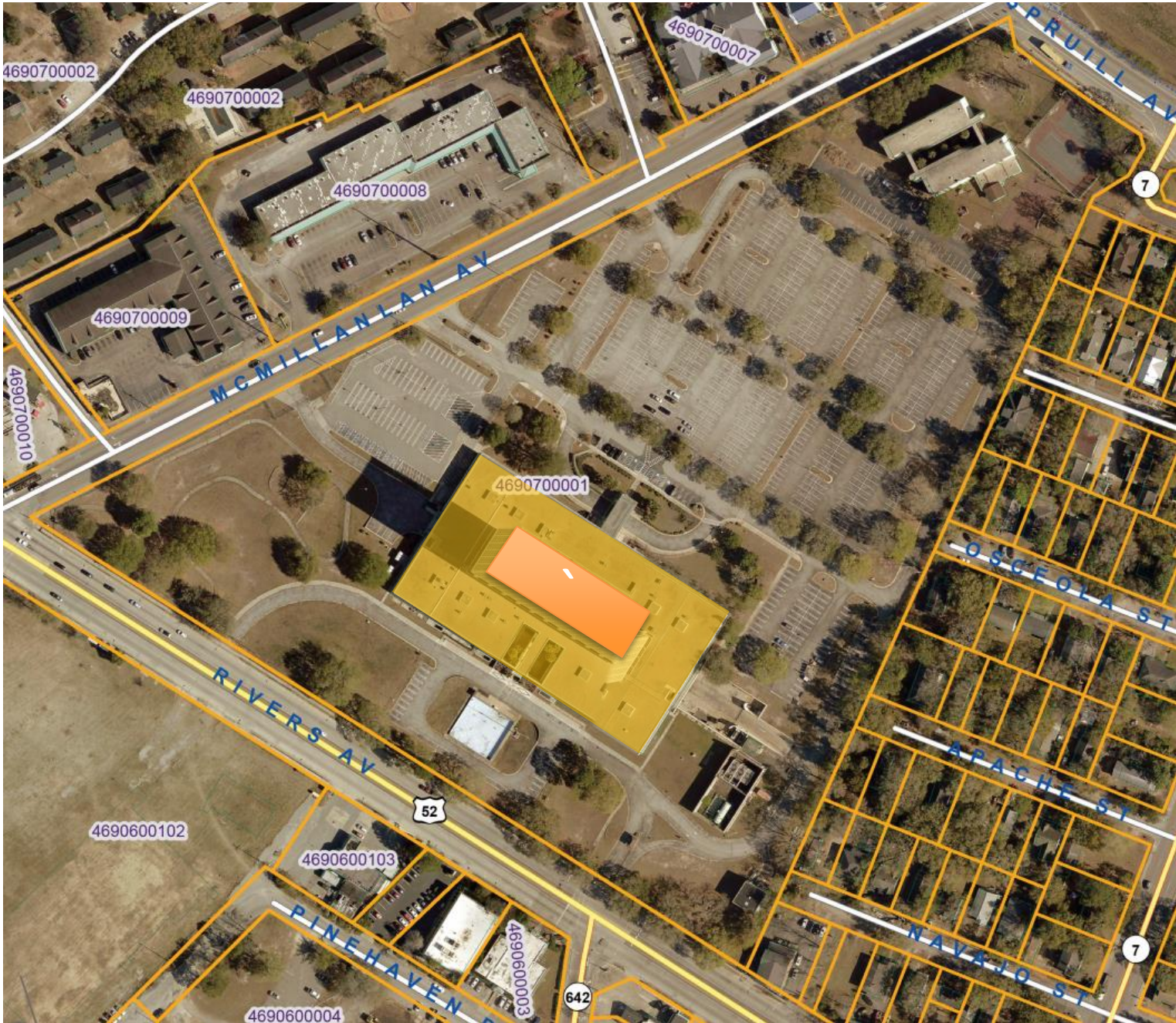
WHAT DO WE GET?



REGIONAL CONNECTIVITY



NEIGHBORHOOD CONNECTIVITY



SITE – BEFORE



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COUNTY**
SOUTH CAROLINA

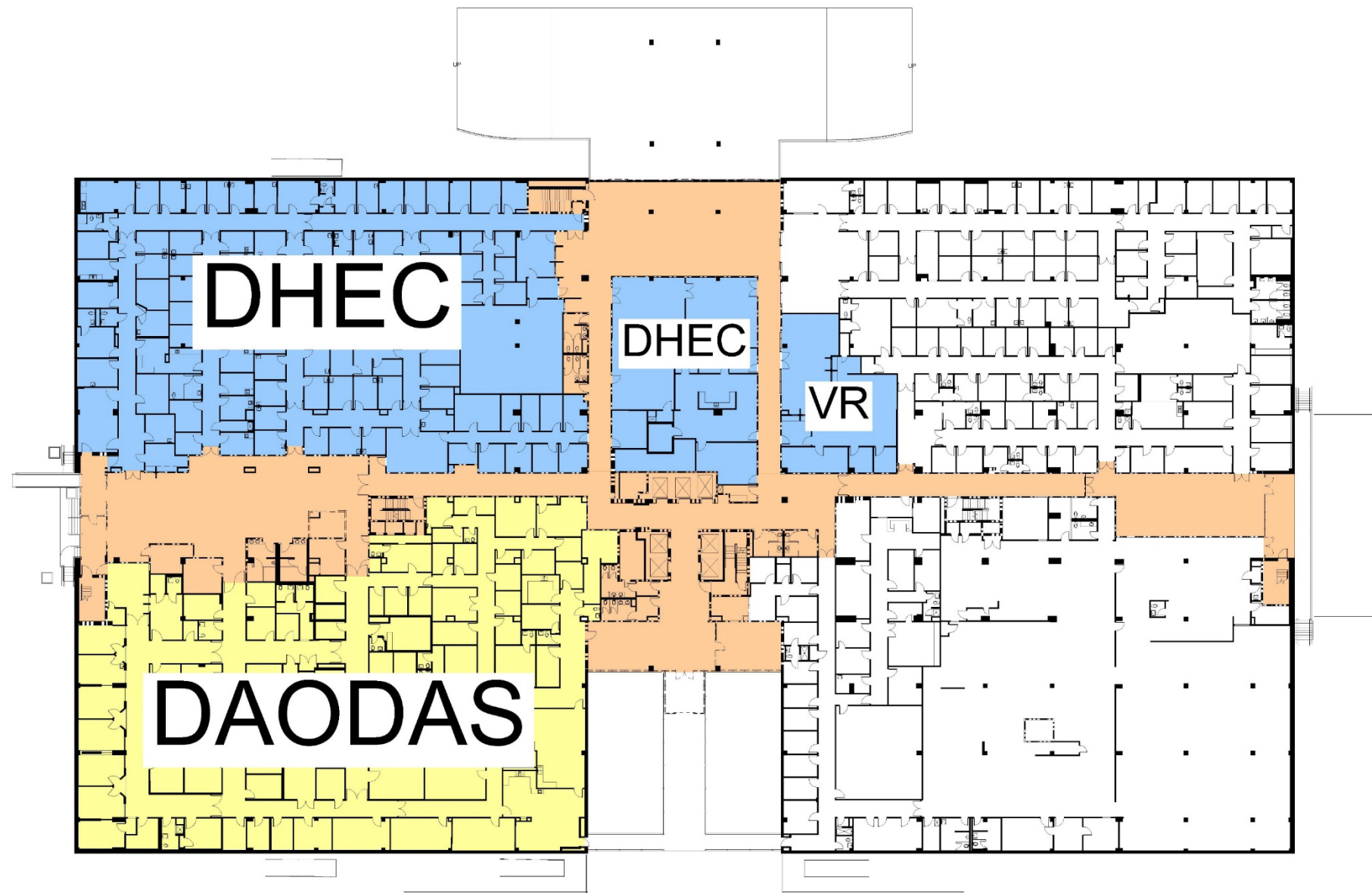
SITE – AFTER



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CURRENT NEED



First Floor



“Tower”



“Pancake”



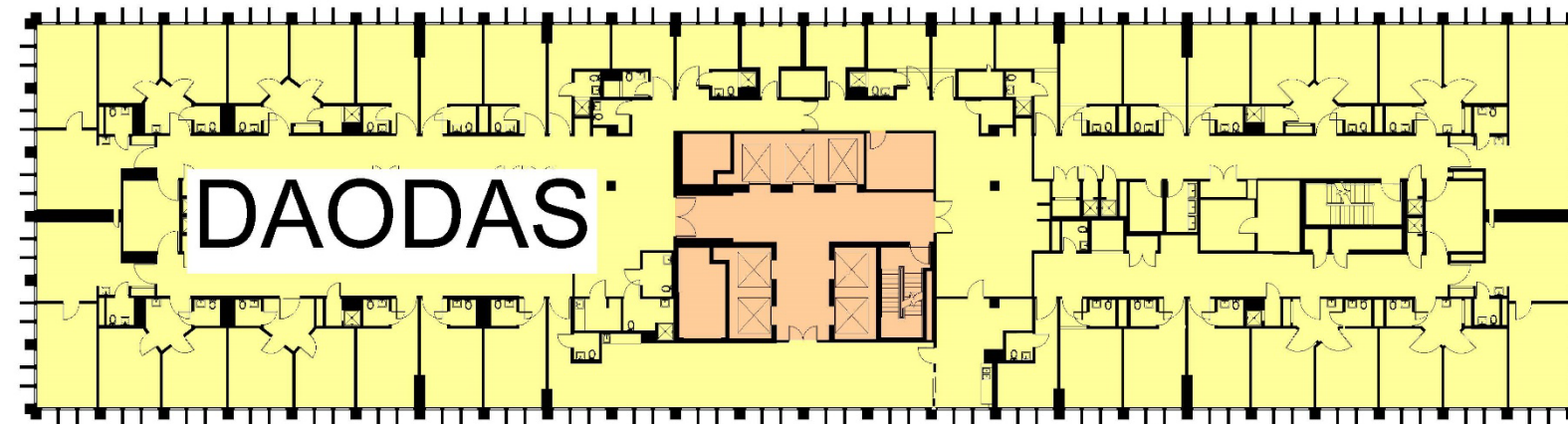




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CURRENT NEED



Eighth Floor



Second Floor

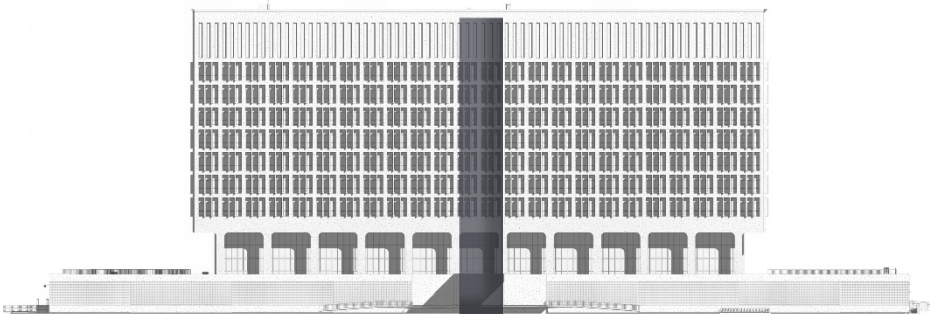
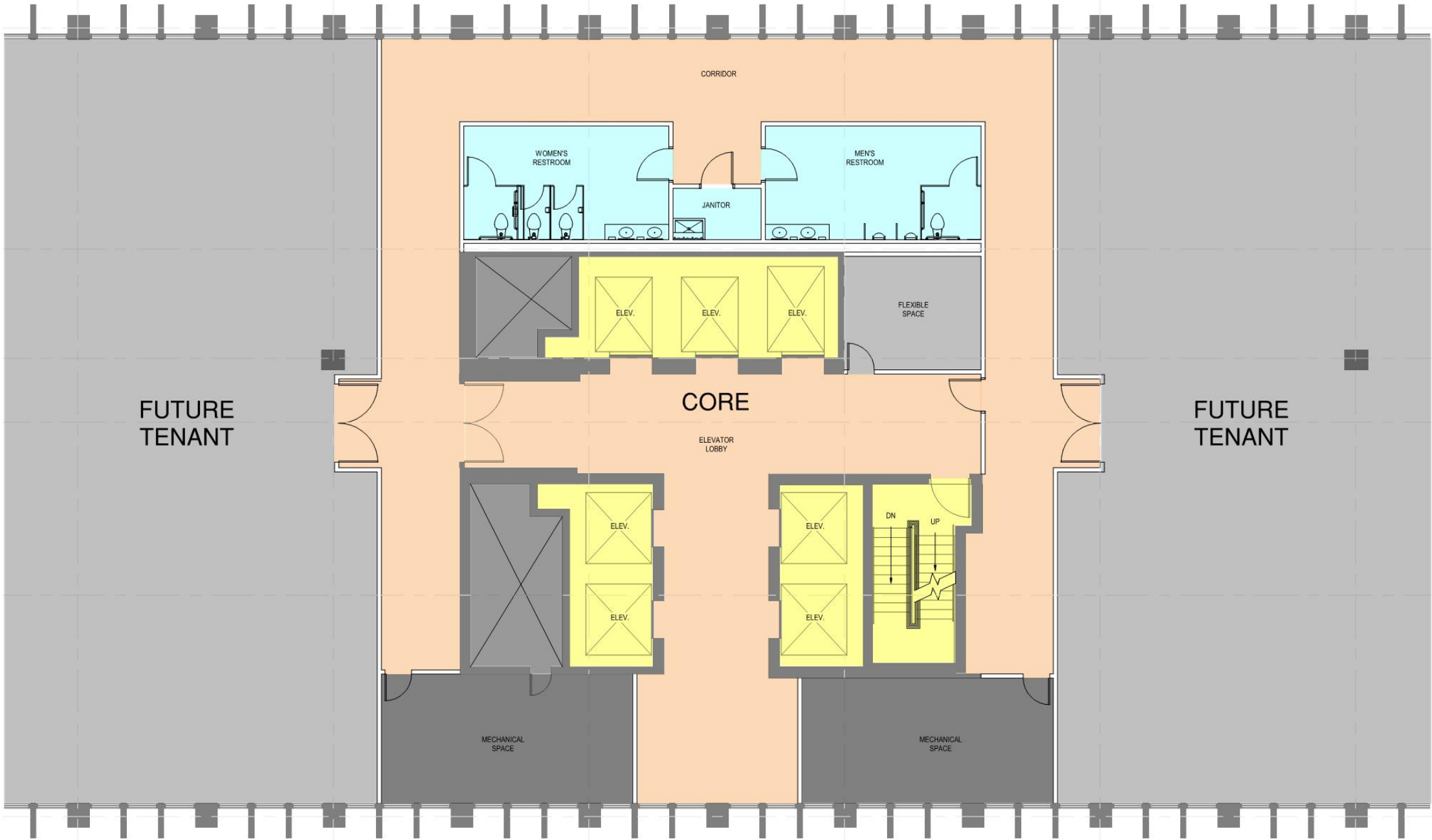


“Tower”

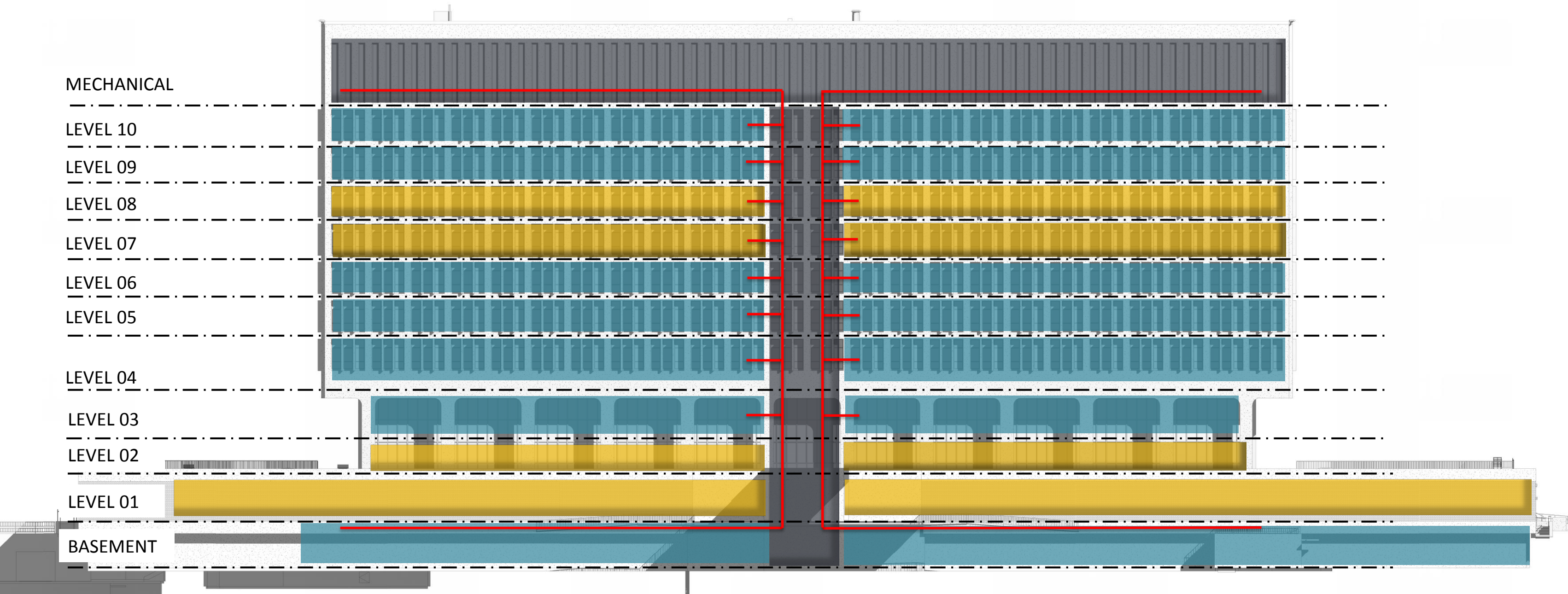


“Pancake”

ENLARGED TOWER CORE PLAN



“Core”



Landlord - Core

First Phase Tenant Space

Shell- Future Rentable

WHAT WE GET

1. Meeting Current and Future Needs of Charleston County
 - a) Current Need 93,000 SF
 - b) Additional Space Ready 42,000 SF
 - c) 205,000 SF of Future Tenant Space
2. Long Term Asset – Extend Useful Life
 - a) Meet Current High Rise Code
 - b) Meet Current Seismic Code
 - c) Restores Central HVAC, Electrical, and Plumbing
 - d) Restores Weathertight Envelope (Roof and Walls)
 - e) Meet Current Accessibility Requirements



WHAT WE GET

3. Meeting Expectation of Social Services Hub
 - a) Inviting, Comfortable, and Calm Environment
 - b) Durable
 - c) Maintainable Building
4. Creating Marketable Lease Space
 - a) Flexible and Appealing Shell Space
 - b) Finished Elevator Lobby and Public Restrooms on each floor
 - c) Incremental Mechanical, Plumbing, and Electrical Strategy for Upfitting Shell Space



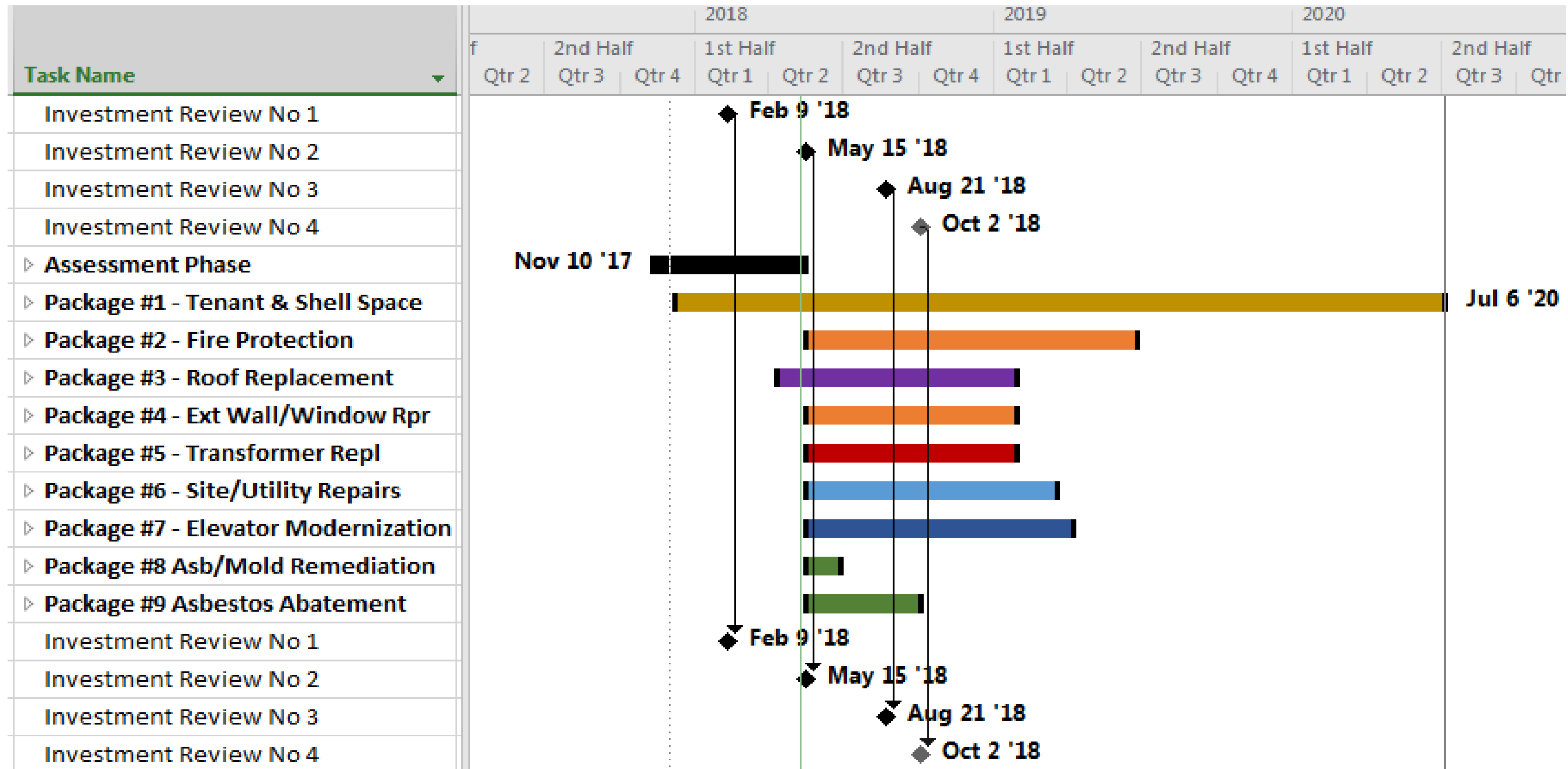


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WHEN CAN WE OCCUPY



FUTURE BUSINESS STRATEGY

Tenant Portfolio

- Continue Social Services Hub Concept
- Consolidation of Other County Tenants
- Balanced Return on Investment

Lease Structure Strategy

- Upfit – Cost Responsibilities
- Common Area Maintenance
- Lease Terms and Rental Rates

Project Delivery Strategy

- Procurement
- Construction Management

Tenant Confirmations



LEASE REVENUE

First Phase

Rentable SF Available	135,000 Sf
Rentable Assigned	93,000 Sf
Rentable Unassigned	42,000 Sf

Potential Annual Revenue	\$672,000
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Remaining Phases

Rentable SF Available	205,000 Sf
Rentable Assigned	0 Sf
Rentable Unassigned	205,000 Sf

Potential Annual Revenue	\$3,280,000
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SUMMARY



\$66M to Occupy



Cool Safe Dry
135,000 SF Now
205,000 SF Future



July 2020
Occupancy

EARLY 2017 – OPTIONS EXPLORED

- Current Need Offsite
- Current Need Onsite
- Renovation of 3600 Rivers

NEXT STEPS

1. Confirm Renovation of 3600 Rivers for a Social Services Hub
2. Discuss Funding Strategies on May 29th





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