

---

AGENCY: Department of Administration on behalf of the College of Charleston

---

SUBJECT: Conveyance and Acquisition of Real Property

The College of Charleston (“College”) currently has a 99-year ground lease with the City of Charleston for 34 St. Philip Street, under which the terms of which the City is the owner and operator of a functioning parking structure. The ground lease is set to expire in the year 2106.

In 1981, the College entered into a 99-ground lease of 81 Wentworth Street from the City of Charleston as part of a joint venture parking development and proceeded to build a 515-space parking garage using state funds and proceeds from the College revenue bonds. The lease is set to expire in the year 2080. In May 2022 the garage was determined to be structurally deficient. The College seeks to acquire 81 Wentworth St. and demolish the parking garage and rebuild a new and improved parking structure on land that is owned by the College.

The College and the City of Charleston would like to consolidate ownership of the respective parcels. The College desires to convey 34 St. Philip Street to the City of Charleston as a portion of the consideration to be paid by the College for the acquisition of 81 Wentworth St. The appraised value of 81 Wentworth St. is \$18,114,000 and the appraised value of 34 St. Philip Street is \$10,099,000. The City of Charleston is offering a demolition conveyance amount of \$3,000,000 for the purchase of 81 Wentworth St. to allow the College to demolish the deficient parking garage. The total acquisition cost of 81 Wentworth will be \$5,015,000. No funds will be exchanged for the sale of 34 St. Philip Street.

On March 26, 2025, the Joint Bond Review committee recommended approval of the conveyance and acquisition, contingent upon the College ensuring that, where appropriate, the Grantor’s participation in costs associated with the potential remediation of any environmental conditions following a Phase II Environmental Site Assessment will be contemplated in the purchase agreement.

---

AUTHORITY ACTION REQUESTED:

(1) Approve the conveyance of 34 St. Philip Street, Charleston, SC to the City of Charleston as part consideration for the College’s acquisition of 81 Wentworth Street, Charleston, SC. (2) Establish final land acquisition to purchase 81 Wentworth Street, Charleston, SC.

---

ATTACHMENTS:

Agenda item worksheets  
SC Code of Laws Section 1-11-65  
2024-2025 Appropriations Bill H5100, Part 1B, Proviso 93.8  
Letter from College of Charleston dated January 8, 2025  
Letter from Joint Bond Review Committee dated March 26, 2025  
Map and Building Photo

**STATE FISCAL ACCOUNTABILITY AUTHORITY  
AGENDA ITEM WORKSHEET**

**Meeting Scheduled for: April 1, 2025**

**Regular Agenda**

**1. Submitted by:**

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

  
Ashlie Lancaster, Director

**2. Subject: Real Property Conveyances**

**3. Summary Background Information:**

- (a) **Controlling Agency:** College of Charleston
  - Acreage: 0.69± acres and a multi-story parking garage
  - Location: 34 St. Philip Street, Charleston
  - County: Charleston
  - Purpose: To transfer leased property to the City of Charleston as part of the consideration in the College's acquisition of 81 Wentworth Street, a 1.13-acre parcel owned by the City of Charleston at the corner of St. Philip and Wentworth Streets in downtown Charleston. The College of Charleston's Board of Trustees approved the proposed property exchange with the City of Charleston with the College acquiring the land at 81 Wentworth Street and disposing of the land at 34 St. Philip Street. The associated acquisition is Project H15-9686.
  - Price/Transferred To: The appraised value of 81 Wentworth is \$18,114,000, and the City has agreed to a \$3M conveyance for demolition of the structurally deficient garage on the property. The appraised value of 34 St. Philip Street, which is currently leased by the City, is \$10,099,000 and contains a City-owned 601-space parking garage. The balance of \$5,015,000 will be paid in cash by the College to the City.
  - Disposition of Proceeds: N/A.

**4. What is the Authority asked to do?** Approve the conveyance of the subject property by the College of Charleston to the City of Charleston as part of the consideration in the College's acquisition of 81 Wentworth Street.

**5. What is recommendation of the submitting agency involved?** Approve the conveyance of the subject property by the College of Charleston to the City of Charleston as part of the consideration in the College's acquisition of 81 Wentworth Street.

**6. Private Participant Disclosure – Check one:**

- No private participants will be known at the time the Authority considers this agenda item.
- A Private Participant Disclosure form has been attached for each private participant.  
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

---

**7. Recommendation of other office (as required)?**

- (a) Authorized Signature: \_\_\_\_\_
  - (b) Office Name: \_\_\_\_\_
- 

**8. List of Supporting Documents:**

- a) SC Code of Laws Section 1-11-65
- b) 2024-2025 Appropriations Bill H5100, Part 1B, Proviso 93.8
- c) Letter from College of Charleston dated January 8, 2025
- d) Map and Building Photo

**STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET**

Meeting Scheduled for: **April 1, 2025**

**Regular Agenda**

**1. Submitted By:**

(a) Agency: Department of Administration

(b) Authorized Official Signature:

*Kevin Etheridge*

Kevin Etheridge, Executive Budget Office

**2. Subject:**

College of Charleston – 81 Wentworth Street Land Purchase

**3. Summary Background Information:**

Project: JBRC Item 2: College of Charleston  
H15.9686: 81 Wentworth Street Land Purchase

Request: Establish Final Land Acquisition to purchase a +/-1.13-acre parcel and vacant parking garage in Charleston County.

Included in CPIP: Yes – 2024 CPIP Priority 5 of 8 in FY25 (estimated at \$5,250,000)  
Phase I Approval: December 2023 (estimated at \$2,520,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B) (13), (Maintenance, Renovation, Replacement & Expansion)				5,015,000	5,015,000
Other, Auxiliary Parking Revenues	20,000		20,000		20,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>5,015,000</u>	<u>5,035,000</u>

Rationale: As part of a property exchange with the City of Charleston, the college seeks to acquire this large one-block-long parcel, adjacent to main campus, because it provides a rare opportunity for strategic mixed-use redevelopment. In 1981, the College entered into a 99-year ground lease for this property with the city as part of a joint parking development and proceeded to build a 515-space parking garage using a combination of state funds and proceeds from College of Charleston revenue bonds. The garage was determined to be structurally deficient in May 2022 and will be demolished after acquisition as part of a separate project. In turn, the college will transfer a +/- .69-acre college owned parcel located at 34 St. Philip Street, with a 601-space parking garage, subject to a long-term ground lease to the city. The deed transfer of the parcel being divested is a condition of the agreement with the City of Charleston.

Characteristics: The 1.13-acre property to be acquired contains a vacant 515-space structurally deficient parking garage. The property is a block-long parcel at the corner of St. Philips and Wentworth Streets in downtown Charleston.

Financial Impact: The 81 Wentworth Street property is offered by the City Council of Charleston for \$5,015,000. The 34 St. Philip Street property is being offered by the College of Charleston with a conveyance amount of \$10,090,000. The City Council of Charleston is offering a demolition conveyance amount for \$3,000,000 for the

college to demolish the garage at 81 Wentworth Street, after acquisition. The acquisition will be funded from FY23 Appropriated State (nonrecurring) Funds (uncommitted balance \$12.5 million at December 19, 2024). An appraisal was completed for 81 Wentworth Street in March 2024 and valued the property at \$18,114,000. An appraisal was completed for 34 St. Philip Street in March 2024 and valued the property at \$10,099,000. A Phase I Environmental Site Assessment was completed for 81 Wentworth Street in June 2024 and found based on the potential environmental impacts, the historical uses of the property are considered recognized environmental conditions, and further assessment may be warranted. Further assessment of the property to address the recognized environmental condition has not yet been conducted and is not anticipated to be conducted until after the parking garage structure is demolished. The mechanized coring/drilling process could potentially further compromise the structural integrity of the onsite structure. As such, due to safety concerns, it is S&ME's opinion that soil and/or groundwater sampling as part of the further environmental assessment should be conducted following the removal of the parking garage. A Building Condition Assessment is not required because the garage will be demolished after acquisition. Letters of support are not required because the property is owned by a governmental entity. The project is expected to result in a decrease of \$41,000 (years 1 thru 3), in annual operating expenditures. After acquisition, a new mixed-use development project will be established for approximately \$67,000,000, which will be funded from Revenue Bonds. The new mixed-use facility will provide approximately 600-650 spaces for parking, with office and/or retail tenants on the ground floor for "street activation", as required by the City of Charleston. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has not changed between academic years 2020-2021 to 2024-2025. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$5,035,000 funded from Appropriated State, and Auxiliary Parking Revenue Funds.

Other: This item received JBRC approval at the March 26, 2025 meeting contingent upon the College ensuring that, where appropriate, the Grantor's participation in costs associated with the potential remediation of any environmental conditions following a Phase II Environmental Site Assessment will be contemplated in the purchase agreement.

---

#### **4. What is SFAA asked to do?**

Consider approval of the Final Land Acquisition.

---

#### **5. What is the recommendation of the Department of Administration?**

The item is complete and ready for SFAA review.

---

#### **6. List of Supporting Documents:**

1. Permanent Improvement Project 81 Wentworth Street Land Purchase
2. JBRC Letter – Proposed Permanent Improvement Projects

## SOUTH CAROLINA CODE OF LAWS

### **SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.**

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

**HISTORY:** 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

#### Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

#### Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).

**South Carolina General Assembly**  
125th Session, 2023-2024

**H. 5100**

General Appropriations Bill for fiscal year 2024-2025  
As Ratified by the General Assembly

**PART IB**

**OPERATION OF STATE GOVERNMENT**

**SECTION 93 – D500-DEPARTMENT OF ADMINISTRATION**

**93.8.** (DOA: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Department of Administration and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for nonrecurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioner's residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Department of Administration for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state-owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.



**College of Charleston**

66 George Street  
Charleston, SC 29424

January 8, 2025

**To:** State Fiscal Accountability Authority  
c/o South Carolina Department of Administration  
1201 Main Street, Suite 300  
Columbia, SC 29201

**Subject:** Notification Declaring Property at 34 St. Philip Street, Charleston, S.C. to be Surplus Property

We are writing as part of the disposition request for property at 34 St. Philip Street and in conjunction with the 81 Wentworth Street Land Purchase project (H15-9686), which involves the proposed agreement between the College of Charleston and the City of Charleston to exchange the College's real property at 34 St. Philip Street, Charleston, SC, and the City of Charleston's real property at 81 Wentworth Street, Charleston, SC.

The College of Charleston hereby declares its property at 34 St. Philip Street to be surplus, as the need to obtain the property at 81 Wentworth Street is greater than the need to retain the property at 34 St. Philip. The College of Charleston currently has a 99-year ground lease (expiring in the year 2080) on the City's Wentworth Street parcel, which contains a parking garage over 40 years old that has been closed due to structural deficiencies. The College is facing an acute parking shortage due to the closure of this structure, which has intensified the need for this land exchange. The College's acquisition of this property will facilitate efforts to demolish and rebuild a new and improved parking structure on land which will then be owned by the College by making the acquisition affordable and consolidating ownership of the land and its improvements.

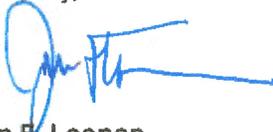
The City of Charleston currently has a 99-year ground lease (expiring in the year 2106) on the College's St. Philip Street parcel, which contains a functioning parking garage controlled and operated by the City. The City has agreed in principle to exchange of its property at 81 Wentworth with the College's property at 34 St. Philip Street on the basis described in the next paragraph. This transaction requires the sale of the College-owned 34 St. Philip St. Parcel to reduce the cost of purchasing the City-owned 81 Wentworth St. Parcel to an acceptable level. The College benefits by acquiring fee simple title to 81 Wentworth St. on which it can construct a replacement garage, without which the acute parking shortage will continue.

Recent appraisals place the value of the unimproved land at City-owned 81 Wentworth at approximately \$18,114,000 and that of College-owned 34 St. Philip at \$10,099,000, a difference of \$8 million. The City proposes to grant a \$3 million credit on account of the need to demolish the Wentworth parking garage, and the College proposes to pay \$5 million to the City as part of the land exchange.

The College's Board of Trustees approved this transaction at their meeting on June 10, 2024, meeting.

Please do not hesitate to contact us if you require further information or have any questions.

Sincerely,



John P. Loonan  
Chief Financial Officer  
Executive Vice President for Business Affairs  
[loonanjf@cofc.edu](mailto:loonanjf@cofc.edu)

**Capital Improvements  
Joint Bond Review Committee**

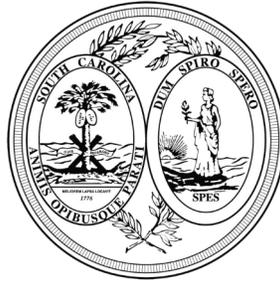
**HARVEY S. PEELER, JR.**  
SENATE  
CHAIRMAN

**BRUCE W. BANNISTER**  
HOUSE OF REPRESENTATIVES  
VICE CHAIRMAN

**SENATE MEMBERS**  
HARVEY S. PEELER, JR.  
THOMAS C. ALEXANDER  
RONNIE W. CROMER  
DARRELL JACKSON  
SEAN M. BENNETT

**CATHERINE O. HART**  
DIRECTOR OF RESEARCH  
SFAA LIAISON  
803-212-6658

**HOUSE MEMBERS**  
BRUCE W. BANNISTER  
GILDA COBB-HUNTER  
LEONIDAS E. STAVRINAKIS  
HEATHER AMMONS CRAWFORD  
MICAHAH P. CASKEY IV



**MILLER A. SMOAK**  
ADMINISTRATIVE ASSISTANT  
803-212-6677

March 26, 2025

Ms. Jennifer LoPresti  
Capital Budgeting Manager  
South Carolina Department of Administration  
Suite 529, Brown Building  
Columbia, SC 29201

Dear Ms. LoPresti:

At its meeting today, the Joint Bond Review Committee reviewed and recommended approval of sixty-nine (69) permanent improvement projects proposed by agencies, included and as described in Summary 5-2025 covering the period November 1, 2024, through December 31, 2024.

Permanent Improvement Project 2 proposed by the College of Charleston to purchase a +/-1.13-acre parcel and vacant parking garage in Charleston County was considered. Recommendation for approval was made contingent upon the College ensuring that, where appropriate, the Grantor's participation in costs associated with the potential remediation of any environmental conditions following a Phase II Environmental Site Assessment will be contemplated in the purchase agreement.

The Supplemented Permanent Improvement Project proposed by the College of Charleston to cover closing costs and legal expenses incurred to purchase +/-2.08 acres in Charleston County was considered but carried over without recommendation by the Committee.

Please advise if you need any further information.

Very truly yours,

Catherine Ortmann Hart  
Director of Research

c: Mr. Grant Gillespie  
Executive Director  
State Fiscal Accountability Authority

# MAPS and BUILDING PHOTOS



## EXHIBIT TWO: GEORGE "GG" PARKING GARAGE

**Current Building Owner:**  
City Council of Charleston

**Constructed:** 2007

**Gross SF:** 171,264

**Levels:** Seven

**Parking Spaces:** 601



**Street Address:**  
34 St. Philip Street

**TMS Number:** 4570404079

**Current Land Owner:**  
College of Charleston

**FEMA Flood Zone:**  
Shaded X

**Acreage:** 0.69