Proposal for Redevelopment of the Old Oconee Courthouse

November 19, 2014

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Oconee County Council
Mr. Joel Thrift, Council Chairman
Mr. Scott Molder, County Administrator
415 South Pine Street
Walhalla SC 29691

Chairman Thrift and Mr. Molder,

Oconee County Council determined some time ago that the Old Oconee County
Courthouse (Courthouse) was deteriorating as a result of being empty and neglected for
approximately 10 years. Discussions involved consideration of demolition and also of
redevelopment. It was determined that redeveloping the property would be preferred over
demolition because the building could become viable and be a revenue producer by being
reintroduced to the tax rolls. It was further determined that it would be in the interest of the
County to provide a monetary grant to help facilitate the redevelopment considering it would
cost the County a significant sum of money and precious landfill space to demolish the building.
In the time since the Council determined to consider redevelopment several parties have
proposed projects and thus far none have come to fruition.

We, Tom Markovich and Herb Witter, have both a desire and a plan for redeveloping the Courthouse. We propose to enter into an Agreement with Oconee County Council to purchase, with terms to be determined, for the purpose to redevelop the building and grounds.

Our plan includes:

1. Having the property included on the National Register of Historic Properties.

- 2. Redevelop approximately 11,500 sq ft into 20 22 Business Class hotel rooms within the confines of the existing structure.
- 3. Redevelop the main courtroom into a multi-faceted event center.
- 4. Create a promenade on the east façade with entrances to the lower level restaurant, pub, and other business spaces.
- 5. Create a plaza on the front façade for outdoor event use.

We believe the redeveloped Courthouse will become an attractive destination for Walhalla and the County overall. Additionally the property will contribute to the overall plan for the redevelopment of Walhalla's Main Street. Having the Courthouse included on the National Register of Historic Properties will add to the already historic culture of the area and the buildings nearby.

The fiscal impact of this project will be a welcomed source of revenue for the various government entities as opposed to being a liability on the County's balance sheet. The completed structure and up-fits will represent an initial investment anticipated to be about \$3 million dollars. The tax assessment is anticipated to add more than \$200 thousand dollars annually. Additional revenues from the different business operations will obviously impact the various other taxes and fees. There is of course the impact of \$3 million dollars of construction spending and wages generated while redeveloping the property. We anticipate combined operations jobs creation to be about 16 to 20 after project completion. If feasible a fee in lieu agreement would be a helpful incentive.

We anticipate this project being completed within two years, including the due diligence period. While we have anticipated certain building conditions and health hazards, we recognize the nature of unknown conditions that could come to light during the due diligence and will keep the County apprised of anything unanticipated. One component of this project which is critical is acceptance to the National Historic Register; without which our business plan is infeasible. We also are anticipating the SC Archives and Historical Commission will allow for minor changes to the exterior side and rear façades necessary for maximum building utilization. The front façade of the Courthouse will not be changed, except for the plaza.

There are a number of initial steps and hurdles that must be met in order to move this project forward. Some of the steps are necessary regardless of the final outcome of the Courthouse. For example the asbestos must be assessed and abated whether the building is redeveloped or demolished, and the same is true for any other hazardous materials found. Also some initial demolition is required no matter the outcome. We are hesitant to invest in a venture and spend for due diligence on items that will result in redundancy and advance the

calendar while waiting for certain approvals. Because of the uncertainty of some aspects of this project we would propose the County Grant funds be available to facilitate those items that must be accomplished regardless of the outcome.

We propose the Grant be structured to allow for us to develop a current assessment and estimate of cost the County would incur to abate the hazards, demolish the building and return the site to a useable condition which the County would still own. Until such a determination is done one can only guess at the amount this could cost and that would not be in anyone's interest. We would make these determinations in the interest of the County and after agreement of the County utilize portions of the Grant and proceed with only work that would be required by the County as if the building were going to be demolished. The remaining Grant funds would be available when the redevelopment project proceeds in earnest. A payment process agreeable to both parties will be determined. If the project were to become infeasible we would be due a development fee based on cost accrued against the Grant at that point in time. We want to be especially clear; we intend to redevelop the Courthouse. We also want to move forward as expeditiously, yet cautiously, as is possible. As with any investment time is always of the essence.

We will expedite as many steps as can be accomplished as the various approvals become available; such as zoning approvals, preliminary designs, building codes requirements, and any other agency approvals necessary.

We will remain as owners of the property for no less than 5 years after completion, which should serve to alleviate fears that outside business interest could acquire the property and redirect the business plan. The ownership shall be held in a structured LLC. While any business plan needs flexibility to adjust to market driven forces, we have confidence our plan meets the needs of the community not only in operational goals but also in scale to the economy as it exists currently. One of us has a vested interest in the community for over 37 years and both of us are committed to completing a quality project that will be a welcomed investment that will repay dividends for years to come.

We believe you will find this proposal meets your goals for the property, thank you for taking time to consider our proposal.

Sincerely.

Tom Markovich and Herb Witter

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PROPERTY PLAN PROPOSAL



PURPOSE

Oconee County desires to manage its publicly-owned property and structural facilities as efficiently and cost effectively as possible. This policy is intended to provide guidance for managing vacant or to-be-vacated properties to reduce repair and maintenance costs.

The Administrator's Office should maintain an index of all county-owned properties. This index should contain pertinent property information as provided by the Oconec County Assessor's Office.

County-owned land parcels are also included in this index. An evaluation should be completed on each parcel to determine if the property possesses potential for efficient use by the County.

Occasionally county-owned properties and facilities are vacated due to new construction or relocation of County operations to a more suitable facility. The County should implement a Facility Use Feasibility Evaluation. This use evaluation should, as part of the overall Project Budget, be conducted in the planning phase in the relocation of any County division to ensure funding is secured to meet the future needs of the current structure prior to vacating the facility.

The evaluation should include, but not be limited to: Condition Assessment; Possible Uses / Needs Assessment; and Disposal / Remodel Assessment.

PLAN REQUIREMENTS

Condition Assessment

This assessment identifies the types and current condition of all structures. Attention should be given to the deficiencies of structures, and should include a cost estimate for any necessary repairs. When a building is vacated, a Condition Assessment should be completed prior to vacating. The assessment will provide County Council with the necessary information to determine the potential usability of the property once vacated.

Possible Uses / Needs Assessment

This step is intended to determine if the County has a service or spatial need that can be satisfied by an adaptive reuse of the property. Oconee County Comprehensive and Strategic Plans should be reviewed to determine if any goals could be achieved by reutilizing the property.

Should the County not have an immediate, identifiable use or need for the property, other governmental agencies or community service organizations may be considered eligible to lease the structure if the County determines any benefit when evaluating the cost of required upgrades and/or repairs and the overall plans of the County:

Disposal / Remodel Assessment

This assessment should include a comparison of the costs associated with repairs, upgrades, remodeling or demolition, and current market value. Having the market value will assist the County in determining the feasibility of remodeling the structure, or to establish a baseline price should the County determine to sell the property. An analysis of the useful life may be beneficial when determining if remodeling is cost effective as compared to the life of the structure.

CONCLUSION

As stewards of public assets, Oconec County should properly maintain these assets in the most cost effective manner. Maintenance and planning will prevent unnecessary costs to manage vacant properties. The information required by this policy will provide County Council with necessary analyses to make the best decision for future management of County-owned properties.

Feasibility Study for New Magistrate's Office

City of Westminster, South Carolina Provided for Oconee County





Adept Design Services of South Carolina, LLC P.O. Box 936 Mauldin, South Carolina 29662 864.884.2617

Preface

On October 1, 2014, Adept Design Services of South Carolina, LLC met with Oconee County Administrator Scott Moulder and Facilities Director Lake Julian to discuss the need for a new Magistrate's Office for the City of Westminster. A feasibility study needed to be performed on three existing buildings with a fourth possible study of building a new structure. The three sites to be examined were:

- 213 East Weston Street
- 224 East Main Street
- Town Hall for City of Westminster

On October 31, 2014, the sites were visited and examined. Existing building dimensions were taken along with notes about the existing sites and conditions of the buildings. No demolition was performed to observe existing unknown conditions. The study is based on visual observations, and general knowledge and understanding of the existing buildings, and thus is limited as to completeness of the existing buildings in as much. The 2012 edition of the International Building Code was also used to provide as much information as possible for the study and preliminary designs included in the study.

Adept Design Services of South Carolina, LLC implies no warranties, and pricing estimates described are subject to market pricing for materials and labor at the time the project commences. Accurate pricing estimates would be subject to any proposed design.

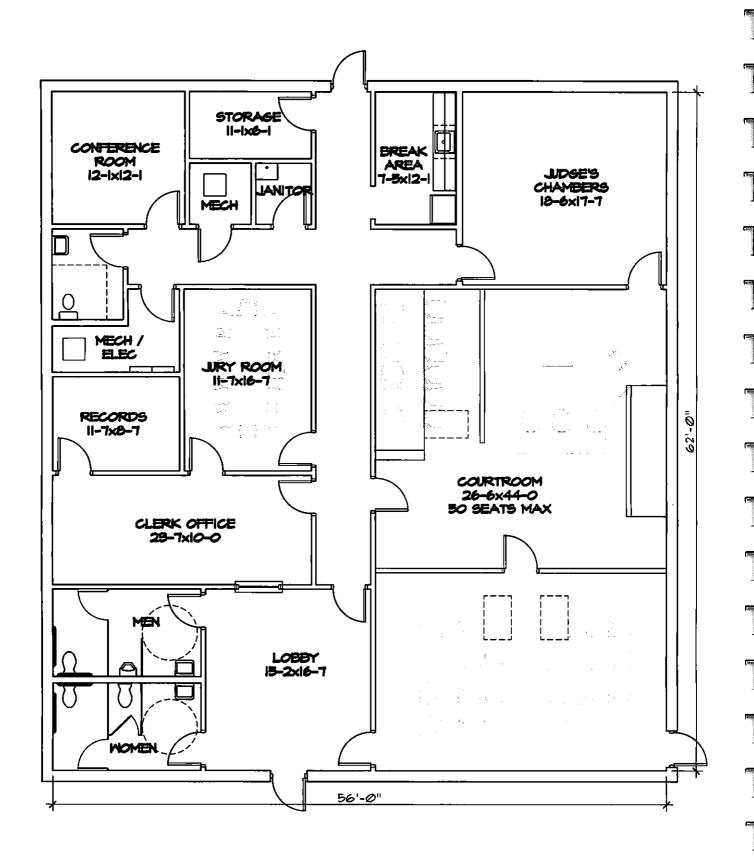
Respectfully submitted,

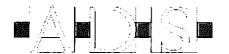
Adept Design Services of South Carolina, LLC

Eric M. Bricco, CPBD 24 November 2014



Adept Design Services of South Carolina, LLC P.O. Box 936 Mauldin, South Carolina 29662 864.884.2617





Feasibility Study Approach

In order to give a feasibility study for a new / renovated Magistrate's Office a new building is being proposed in order to ensure that potential existing structures can accommodate the program needs for a new building. It can also offer a cost comparison for work that would be needed for a renovation project. The room sizes are noted in Illustration 1 as a guide to size rooms into an existing building, and to give guidance as to what kind of construction means and methods would have to be employed.

New Magistrate's Office Building - Illustration 1

Building Program

- Entrance Lobby which features secured access to the remainder of the building, access to the courtroom, and a pay window at the Clerk's Office
- Courtroom with a maximum seating capacity of 50; seating includes 12 member jury box, Judge's bench, court recorders, and a remainder of 34 seats in the courtroom with (2) handicap accessible spots. The courtroom would be handicap accessible.
- Separate Jury Room for deliberation; room adjoins to the Clerk's Office
- Judge's Chambers with entrance to the courtroom
- Separate conference room for lawyer and client discussions
- File and Records storage
- Break Area

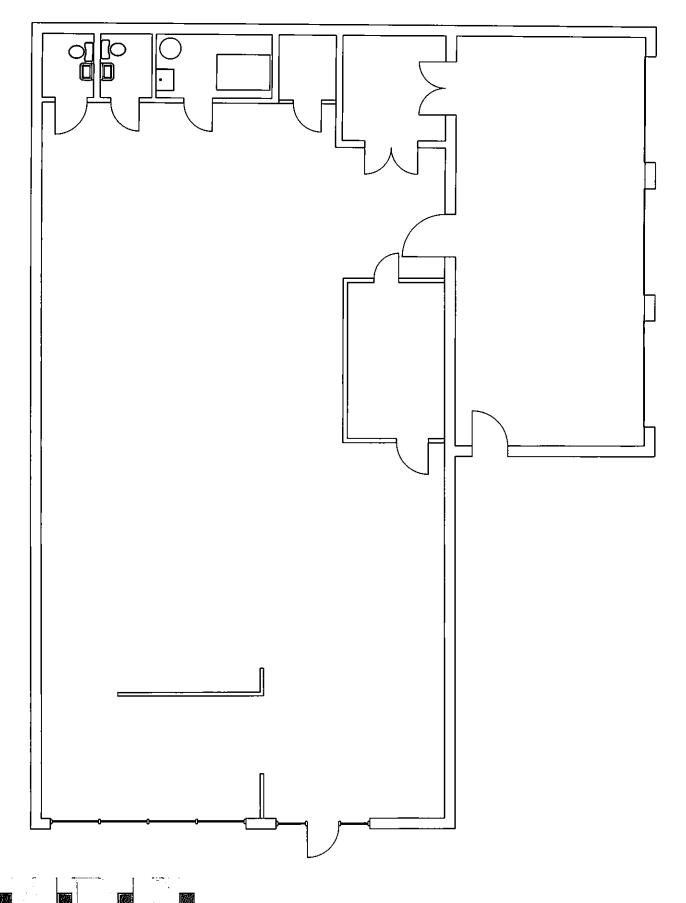
If this scenario is selected there can be modifications in the design for other amenities such as a drive up window to the Clerk's Office and additional storage space.

The building area is approximately 3,475 sf. Based on this the parking requirements should be for 12 spaces with two handicap accessible parking spaces minimum. However, it is recommended that there be a minimum of 24 spaces to accommodate staff and courtroom occupants. Based on this information, depending on a pending site analysis, the need for vacant land would be approximately 1-1.25 acres. Detention pond would be required for the site.

The building can be a simple wood stud on concrete slab type construction. No special fire barriers or construction would be needed for a building of this type. The maximum allowable area for a building of this type is 9,000 sf and two stories maximum.

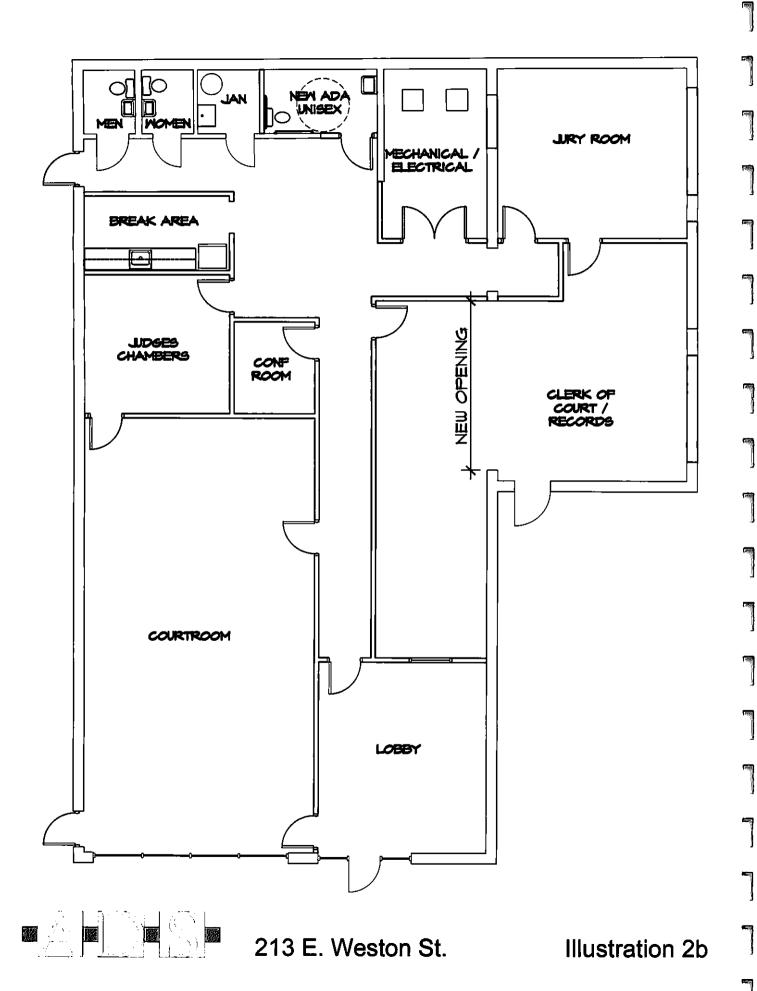
By having only 50 seats maximum for the courtroom, this allows it to be classified as business occupancy according to the 2012 edition of the International Building Code, thus eliminating the need for a registered architect and engineers to be employed for the design. However, if this was increased then a registered architect and engineers would have to be involved according to SC Labor and Licensing Regulations (SCLL R). There would be no need for a NFPA sprinkler system. The corridors would have to be 1 hour rated with 20 minute rated openings.

Construction cost for a building of this type would range from \$100-125 per square foot depending on finishes, millwork / moulding for the courtroom and any additional amenities as requested for the project.



213 E. Weston St.

Illustration 2a



213 East Weston Street - Illustrations 2a and 2b

This building is the former Westminster Post Office and former business location of "You Name It." It is approximately 3,525 sf. The existing building is slab on grade with CMU walls with a brick veneer. The roof was not investigated. Illustration 2a shows a schematic of the existing building layout. Illustration 2b shows a schematic preliminary plan comparable to the new building scenario.

The site of the building is adacent to a chiropractic office. The two buildings share a parking lot area. This site has an existing 8-9 parking spaces with room for additional parking on the opposite side. Handicap parking would be on the shared parking lot side only. The opposite side slopes greater than the 2% limit per ANSI and ADA. There can be a potential of 16-18 parking spaces on this site.

The interior walls are CMU or stud construction for an existing office and dressing room. The stud construction would be removed easily. There is no handicap accessible toilet in this building; a handicap unisex toilet can suffice for the building. Slab and room demolition would have to be done to accommodate this, along with the break area. The existing ceiling tiles would be removed. The existing condition of the wiring would have to be assessed to determine if any can be salvaged or if all new wiring would be required.

Existing flooring in the main section is 9"x9" tile and is probably asbestos based. Any slab demolition would require asbestos abatement by a qualified environmental abatement company. Approximate costs for this can be in the range of \$200-400 per hour with inspection and final certification fees ranging from \$2,000 to \$5,000. The smaller section of the building is exposed concrete slab.

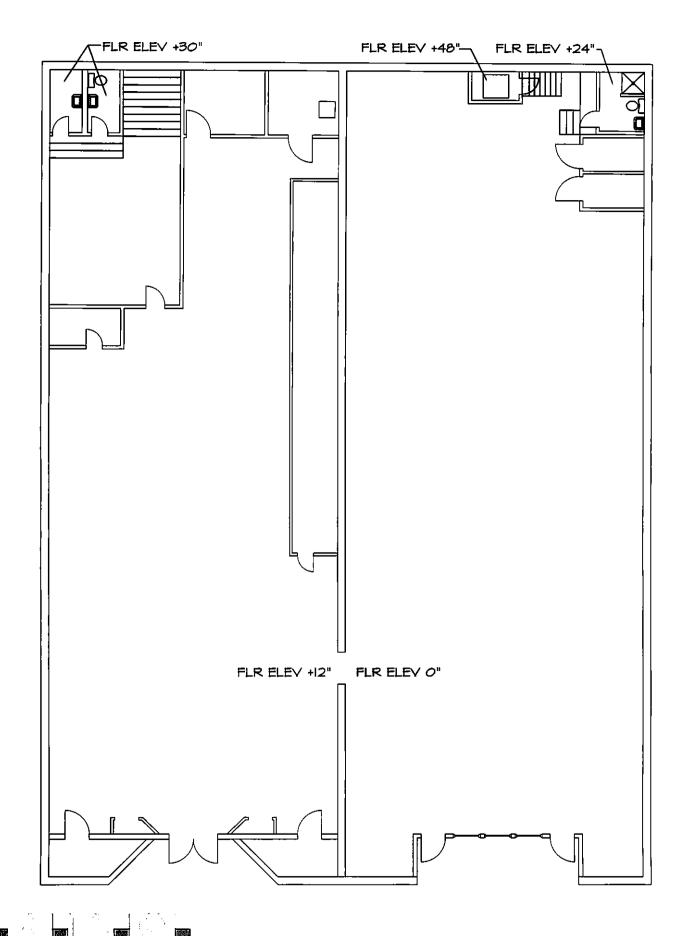
The HVAC is air conditioning only. Heat is provided by a gas heater mounted from the roof structure. The HVAC would have to be upgraded for the building.

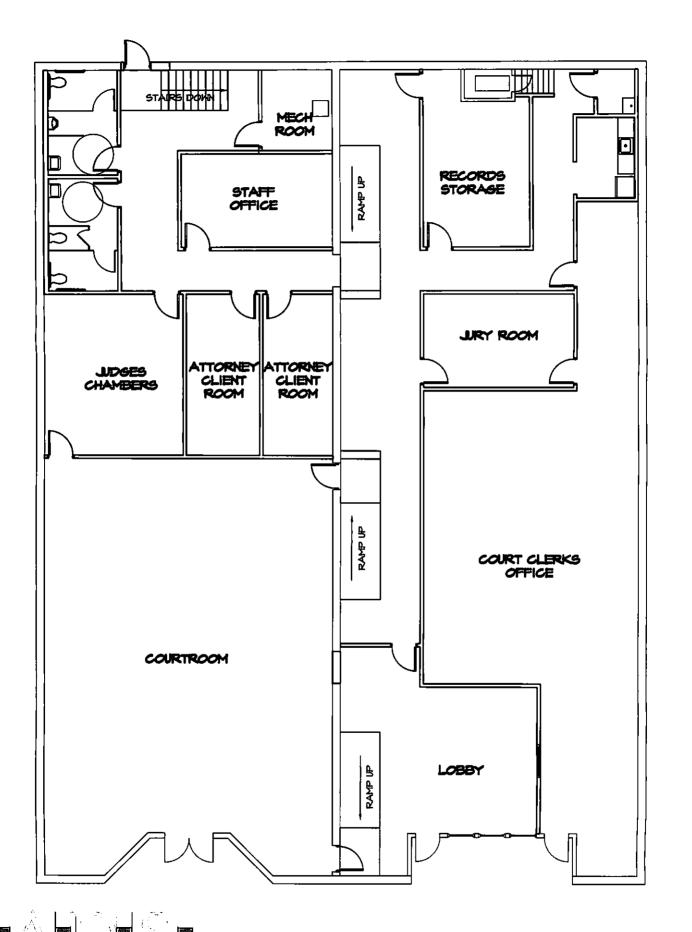
The water main into the building was recently repaired and appears to be in good condition. The location of the sanitary sewer would have to be determined to tie in for new plumbing.

To accommodate upgraded electrical a new panel would need to be added and back-fed to the existing electrical panel.

To make good use of the smaller space on the right side it is recommended a new wall opening be constructed. This would require a structural engineer to provide details for a new lintel.

The overall building can accommodate the program requirements shown in Illustration 1. Proposed construction would be metal stud construction. Metal studs are recommended because of the age of the building and to help reduce any issues with moisture. Exterior walls would be furred our for new gypsum board finish and accommodate electrical outlets. Corridor walls would have to be 1 hour rated with 20 minute protected openings. These walls would extend to the roof deck. Ceiling would be suspended ceiling grid with lay in type light fixtures and HVAC diffusers. Approximate cost for renovation would range from \$70 – 95 per square foot.





224 E. Main St.

Illustration 3b

224 East Main Street - Illustrations 3a and 3b

This building is currently the store "Dads and Lads" located on East Main Street. The area on the right is the current store and is 3,712 sf. The area on the left was a former store with an area of 3,600 sf. The total space is 7,412 sf. This size of a space will require a registered architect and engineers to design the renovation. Estimated costs for this would be in the range of \$16,000 – \$20,000.

The space is located in a retail strip area. The only parking is what is available on the street; there is no designated parking for this building. This is not accommodating for this type of building use. As was examined previously a minimum of 12 spaces would be needed.

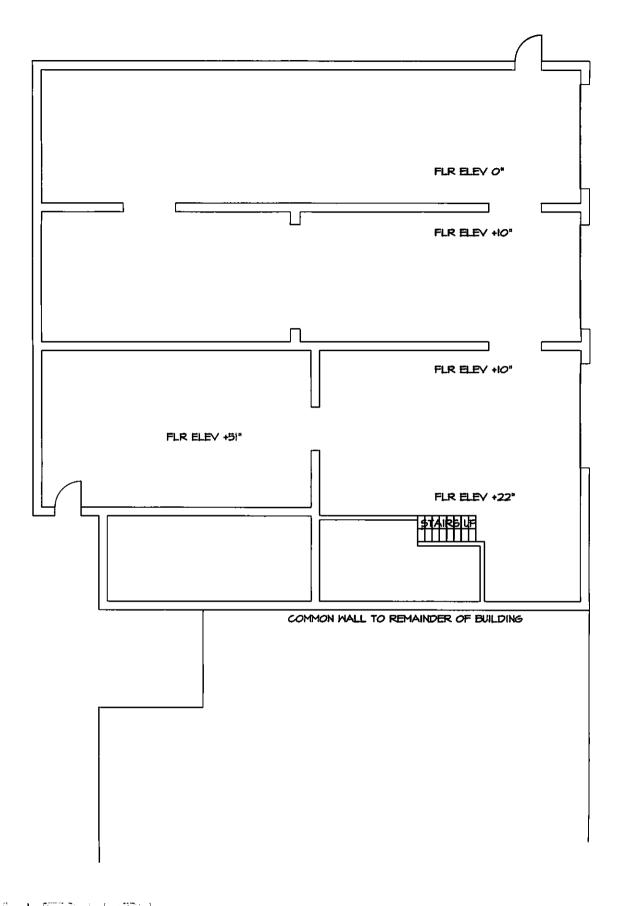
The existing exterior walls are masonry. The floor is concrete slab. The left side of the space has existing 9"x9" floor tile and is probably asbestos based. As in illustration 2a and 2b asbestos abatement would be required if any of the flooring would be disturbed with demolition. The left side space has a several walls and shelving / display spaces which would need to be demolished for the new renovation. The right side has minor demolition of existing walls.

The left side is approximately 12" higher than the right side. This will require 12' long ramps with landings to negotiate between the sides of the space to be handicap accessible. New openings would be recommended for the floor plan to flow better. A structural engineer is recommended to provide details for new lintels.

All of the existing plumbing fixtures are elevated – 18-24 inches above adjacent floor elevations. None are handicap accessible. The existing toilets would have to be demolished and reworked for new handicap accessible toilets. The plumbing would be below the grade outside so a sewage lift station would have to be used. These would have to be maintained and monitored that only normal sewage was in the system. Repairs would be required if larger debris was flushed.

The existing HVAC systems appear to be newer and able to accommodate the spaces. The existing electrical wiring could not be examined and would have to be assessed. There appears to be one electrical panel. A second panel may be needed to accommodate new offices and conference rooms.

Illustration 3b shows the overall space can provide several more offices, conference rooms, and file storage rooms than shown in previous illustrations. The space is limited with 2 exits located at the front. There are stairs in the rear of the building which may accommodate an exit out the back via stairs. This would be required for egress. The walls would be recommended to be metal stud construction with gypsum board finishes. The corridor walls would have to be 1 hour rated with 20 minute protected openings. The ceiling would be suspended ceiling grid with ceiling tiles. Approximate costs for renovation would range from \$85 – 110 per square foot. Changes in costs are due to the level changes requiring ramps with handrails, increased demolition, and a lift station for sanitary sewer.





Westminster Town Hall (Former Fire House) - Illustration 4

The fourth potential site is in the existing Westminster Town Hall, to be located in the former fire house / station portion of the building. The space is 3,452 sf. The Town of Westminster has recently retained an architectural firm to do a study in renovations for the existing building. Some of the planned renovations include installing an elevator and renovation of the second floor area for civic program use.

The town hall is next to the police station which shares parking for the town hall and the existing magistrate's office. Parking appears to be adequate for an additional magistrate's office in the town hall.

The existing walls are load bearing CMU walls. The interior walls are load bearing CMU walls. A structural engineer would be needed to size beams in order to open the space and make usable. As it is the existing walls are constricting a potential design for an office upfit to include a courtroom.

There are several existing conditions which are restricting the use of this space ease of renovation. Some of these conditions are as follows:

- Several floor level changes requiring ramps and a chair lift station. One floor level change is 41 inches.
- Existing floor trenches which would need to be capped and filled with concrete.
- The only plumbing on this level is a utility sink. Additional plumbing is upstairs in a bunk house area. Existing sanitary sewer systems would need to be investigated and assessed to support new toilet facilities on this level.
- Structure supporting the second floor portion of this space appears to be bearing at 10'-8" using approximately 16" deep bar joists. HVAC and electrical systems for the ceiling would have to be coordinated with the existing structure for placement and duct sizing.
- Existing electrical systems need to be evaluated for re-use or complete demolition.
- The general survey for the entire space would require an architecture / engineering team's assessment. Based on this a proposed construction cost estimate cannot be offered for this space.

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STATE OF SOUTH CAROLINA COUNTY OF OCONEE

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IN RE: REFLM Meeting 12-09-14

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of THE JOURNAL, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in Oconee County, Pickens County and the Pendleton area of Anderson County and the notice (of which the annexed is a true copy) was inserted in said papers on 11/21/2014 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

Hal Welch General Manager

Subscribed and sworn to before me this 11/21/2014

Jennifer A. White

Notary Public for South Carolina

My commission Expires: 07/01/2024

JENNIFER A WHITE NOTARY PUBLIC State of South Carolina My Commission Expires July 1, 2024





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The Oconee County Real Estate, Facilities & Land Management Committee has scheduled a meeting on December 9, 2014, at 7:00 p.m. in Council Chambers, Oconec County Administrative Offices, 415. S. Pine Street, Walhalla, SC.



Beth Hulse

From:

Beth Hulse

Sent:

Wednesday, November 19, 2014 11:50 AM

To:

Beth Hulse; classadmgr@upstatetoday.com

Subject:

REFLM Committee meeting 12-9

Attachments:

111914 - REFLM meeting - 12-09-14.doc

Please run at your earliest convenience. Thanks.

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Beth Hulse

From: Beth Hulse

Sent: Wednesday, November 19, 2014 11:51 AM

To: Beth Hulse; Carlos Galarza; Chad Dorsett; DJM News Editor; Fox News; Greenville News

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(westnews@bellsouth.net); WGOG (dickmangrum@wgog.com); WSPA TV - Channel 7

(assignmentdesk@wspa.com); WYFF 4 News

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Elizabeth G. Hulse, CCC

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