

SPECIAL REPORT: Columbia's billion-dollar building boom

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Downtown Columbia is in the middle of a billion-dollar building boom that shows no signs of slowing.

A renaissance that began in the early 2000s was stymied when the Great Recession ground development to a halt in 2008. Pent-up demand in an economy that finally has found its footing has led Columbia to its highest-dollar build-out in history.



A study by The State newspaper shows investments in the downtown area have eclipsed \$1 billion since 2011. And that includes only major projects of more than \$1 million each, not the dozens of smaller renovation and building projects along Main Street and in The Vista.

Private downtown student housing is driving the skyrocketing construction numbers, along with major expansion projects by the University of South Carolina, such as the new \$95 million Moore School of Business and the upcoming new School of Law, estimated at \$80 million.

“We have never seen the amount of investment that we are seeing now,” said David Lockwood, executive vice president of commercial real estate firm Colliers International in Columbia. “And we have projects out there that are still looking for building sites and existing properties. The pipeline is really full. I think 2015 should be another really strong year.”

Lists provided by the city of Columbia and the Columbia Development Corp., which guides downtown development, show 42 projects of more than \$1 million have been built, are under construction or have been announced since 2011. They total \$1.24 billion.

And that figure does not include any construction costs for the 165-acre redevelopment of the old S.C. State Hospital campus on Bull Street, because there have been no specific announcements by master developer Hughes Development. It also doesn't include a \$37 million minor league baseball stadium on the site, \$29 million of which is being funded by taxpayers.

The numbers do include projects as varied as the \$1 million renovation of the Oak Table restaurant in the new \$60 million NBSC tower at Main and Gervais streets, and the \$100 million Kline Center mixed-use complex announced for Assembly Street near the State Museum. The museum itself just completed a \$29 million expansion.

Scarcely a commercial block from the Congaree River to Five Points, and Elmwood Avenue to Blossom Street hasn't been touched or targeted.

“I firmly believe this is only the beginning,” Mayor Steve Benjamin said. “We still haven’t tapped the power of our three rivers or Bull Street or explored more quality vertical development. There is still more to be done.”

Student housing, USC driving growth

By contrast to the present building boom, Lockwood points to the late 1980s, which provided the second-most-significant boost to downtown in the modern era.

Three skyscrapers were completed during that time: the former AT&T building at Gervais and Assembly streets, now known as Capital Center, the state’s tallest office building at 25 stories; 441 Main St., which now houses Wells Fargo; and the Bank of America Plaza at Main and Richland streets.

The total investment for those buildings? About \$200 million.

However, that figure, in today’s dollars, roughly equals the current student housing projects alone. Five private student housing projects now being built total \$224.5 million, and a combination student housing and classroom project behind the Carolina Coliseum and the new Moore School comes in at \$96 million. That project is a partnership between Atlanta developer John Holder and the University of South Carolina.

All of that housing is being constructed because USC has grown by 25 percent in the past decade, to 32,000 students, at its main Columbia campus. And USC officials are asking S.C. lawmakers for an additional \$51.3 million to expand its summer session and its Honors College, which would attract even more students.

But student housing isn’t the only university-driven development. USC itself is growing exponentially.

In addition to the Moore School, the new law school and the Holder housing project, USC also is building:

- A \$26.5 million alumni center at Senate and Lincoln streets in the Vista, across from the Columbia Metropolitan Convention Center
- And a \$26 million research building in conjunction with IBM and the Fluor construction company at Blossom and Assembly streets.

“It’s amazing how Innovista has morphed into something different,” Fred Delk, executive director of the Columbia Development Corp., said of the university’s research campus, which until recently had struggled to attract corporate partners. “But it is coming on quickly now, and I bet it will be followed by additional research and corporate buildings.”

‘Three amazing years’ ahead

But the university isn’t the only place that will see amazing growth in the next few years, Delk said.

Huger Street – long a commercial corridor underutilized with light industrial buildings – is poised for explosive development.

The intersection around Huger and Gervais already is filling up:

- A four-story apartment complex is planned at Huger and Senate streets, adjacent to the Vista McDonald’s. No investment total was available.

- The \$100 million Kline Center planned for Huger and Gervais streets includes a 280-unit apartment complex, offices, retail and a free-standing hotel.
- A five-story, 640-bed student housing complex is planned at the corner of Huger and Blossom streets, a partnership between Manhattan developers Park 7 and Columbia land owner Ben Arnold. Price: \$62 million.
- And the CanalSide apartment complex on the old Central Corrections Institution site, a block from Huger Street, has expanded to 400 units, with an investment of \$20 million.

“We’re going to have about 3,000 people living around the intersection of Huger and Blossom and another 3,000 living near the river,” said Delk, including in the estimate an apartment project planned on the Cayce riverfront at the site of an old motel. “I think that’s going to drive a lot more ancillary development to provide services, like retail.”

In addition, Richland County plans to extend Greene Street to Huger Street to access a planned riverfront park. Greene Street will be intersected by an extended Williams Street, opening up to development the bluffs overlooking the river.

And of course, all of this could be overshadowed by Bull Street. The 165 acres, if the vision of the city and developer Bob Hughes is realized, could change the dynamic of downtown forever.

Although no formal announcements have been made, Hughes says he expects to add thousands of new homes, stores and offices to the area. He said last month that 41 retailers and restaurants have signed letters of intent for leases, representing about half of the 400,000 square feet of retail space slated for the Bull Street side of the property.

Construction of a 120,000-square-foot retail and office building is expected to start there soon, in conjunction with the minor league ballpark. And Hughes plans to build up to 800,000 square feet of residential and office space above the retail spots.

It all means that Columbia’s building boom likely will not end anytime soon.

“I’m not seeing any immediate slowdown,” Delk said. “We’re going to see at least three amazing years ahead of us.”

Read more here: http://www.thestate.com/2014/12/20/3885518_special-report-columbias-billion.html?rh=1#storylink=cpy