

CLEMSON
UNIVERSITY



ULI Advisory Services Program
October 18 – 22, 2004



ULI Advisory Services Program

ULI Mission

*Promote responsible leadership
in the use of land in order to enhance
the total environment*



ULI Advisory Services Panel

- Marilyn Taylor, Panel Chair – New York
 - Architect, Skidmore, Owings, and Merrill, LLP
- Michael Buchanan – Atlanta, Georgia
 - Managing Director, Bank of America (ret.)
- Gary Fenchuck - Midlothian, Virginia
 - President, East West Partners of Virginia
- Helen Hatch - Atlanta, Georgia
 - Architect, Thompson, Ventulett, Staniback



ULI Advisory Services Panel

- Todd Mansfield - Charlotte, North Carolina
 - CEO, Crosland, Inc.
- Peter Parrott - Hilton Head, South Carolina
 - President, University Housing Group
- Tim Rose - Charlottesville, Virginia
 - CEO, University of Virginia Foundation



Our Process

- Briefing materials
- Tour
- Interviews
- Work, Work, Work
- Recommendations
- Report





Acknowledgements

- President James Barker
- Neill Cameron and the CU Foundation staff
- Jeff Martin and the Madren Center staff
- Briefing team
- Interviewees

Our Assignment





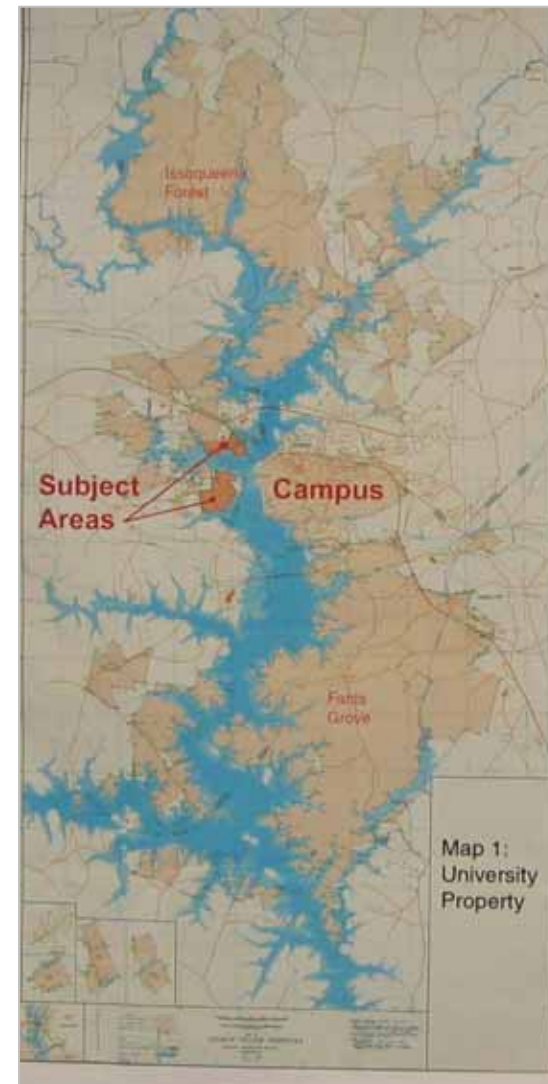
Our Assignment

- Recommend a process and structure through which Clemson University can better evaluate and manage its extraordinary land use assets – to support its mission
- Evaluate the potential of selected sites, including Y Beach and nearby properties, for short- and longer-term use



Our Recommendations

- An evolution from land management plans to stewardship
- An expanded mission for CUREF
- Experienced real estate professional as CUREF executive director



*Goal is balanced stewardship...
We believe it's possible!*



Research and
Education

Protection and
Preservation

Water and Forest
Recreation

Sustainable
Growth





Our Recommendations



- The opportunity to build an exemplary, sustainable community
- A “living laboratory”
- **Stonegate**
- An evolving experiment advancing creative, responsible land use

“... a campus united by a lake”



The Qualities of Stonegate



- Public access and activity
- Recreation assets
- Protection of pristine shores, ridges, and other resources
- Ongoing and new research
- Community and campus interaction
- Sustainable low impact design



Our Recommendations



Carefully selected sites can be renewed and revitalized, reclaimed from damage or underuse, to provide needed residential, retail, recreation, and community activity and interaction



Keep in Mind...



A balance point between “no growth” and “unplanned growth” can unlock land value and support the highest aspiration and stewardship responsibilities of Clemson University.

Managing the Land Asset





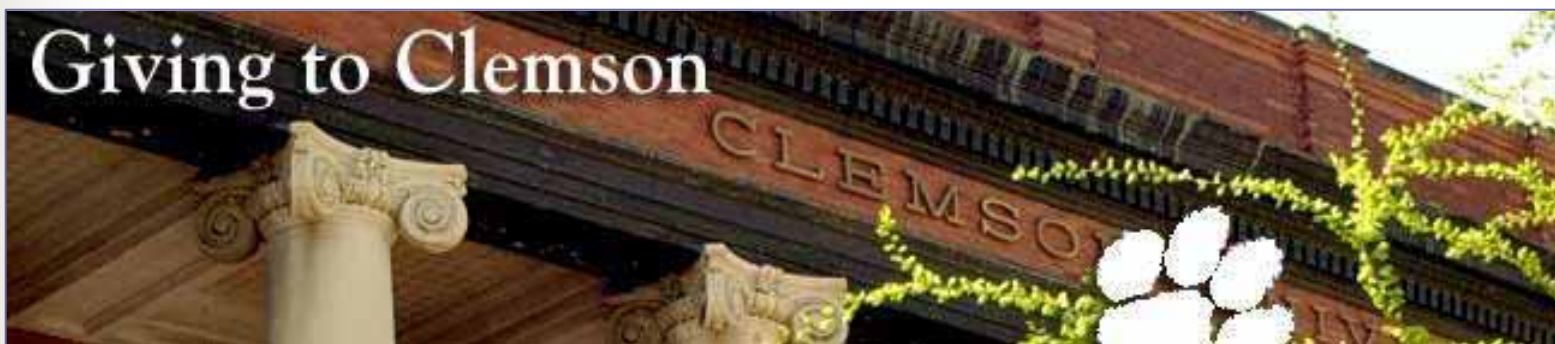
Premise

Clemson University seeks to establish itself among the top 20 public universities in the U.S. To do this, it will be imperative that all assets of the University and its related foundations are managed in a manner that ensures their current, and ultimate, use contribute value to the academic enterprise.



Clemson Real Estate Foundation

- Current mission
 - Real estate gifts





Clemson Real Estate Foundation

- Proposed mission
 - Real estate gifts
 - Stewardship
 - Land use planning
 - Development
 - Local land use matters
 - Financial returns
 - University programming
 - Acquisition/Deposition



Real Estate Foundation Board

- Nimble
- University overlap



Real Estate Foundation Personnel

- Executive Director
 - Real estate skills
 - Higher education
 - Community
 - Compensation and stature
 - Reporting relationships



Real Estate Foundation Personnel

- Staff
 - Initial
 - Ultimate
 - Asset management
 - Real estate development
 - Financial management
 - Marketing
 - External experts

Relationship to Clemson and the Clemson Foundation



- Clemson is **THE** customer
- Asset management agreement
- Partnering with the Clemson Foundation
- Partnering with the academic programs



Getting the CUREF Rolling

- Transfer Assets for Active Management



Funding the CUREF

- Operating expenses
 - Limited start up funding
 - Management fees
 - Self sustaining funding
- Project Development Costs
 - Commercial bank development loans
 - Municipal development funding
 - Flexible special assessment financing
 - Internally generated recycled profits

Market Potential



City of Clemson

Real Estate Market



- \$25M/yr developed by private developer
 - Mixed uses
 - Student condos
 - Waterfront residential
 - Apartments
 - Game day condos
- Clemson 2004 MLS sales (January to June)
 - 106 Home sales (not including waterfront)
 - 84 condos



Lake Keowee Real Estate Market

- Crescent communities
 - \$188M closed sales (1989 – 2004)
- Greenwood development
 - \$115M in 350 lots (2001 – 2004)

Stonegate Concept and Planning Differentiation



- Lakeviews – not lakefront
- No private docks
- No land use in golf or tennis
- Public and community access to lake
- Bike trails
- Village cluster of small buildings with community uses
- Cottage product at Y Beach
- Affiliation with Clemson



The Goal

Create a community that shares Clemson's desire to make the area part of an integrated community joined by water



Demand Evaluation

**Does it have the characteristics
that will help it sell?**

- Workable topography
- Tremendous views
- Close to campus
- Clemson affiliation



Purchaser Profile: Who's Buying?

- Retiree (permanent) homes
 - Many will be alumni
- Second home buyers
 - Looking for a lakefront community
 - Well planned, affordably priced
 - Vitality and social interaction
- New (400 – 500) and replacement (150 - 200) faculty



Purchaser Profile: Who's Buying?

- Existing University staff and faculty and town residents
 - Relocate
 - Move to new
 - Family resizing
- Keowee Lake “rebounds”
 - Different lifestyle
 - Closer to education, culture, and social facilities





The Clemson Family

- Property set aside
- Property purchase
- Attractive financing

Unique Academic/Research Opportunity





Sprawl

- Inevitable growth
- Political consequences
- Citizen coalitions and special interest groups
- Polarization of positions

Stonegate – the Living Laboratory



- Directed by the Real Estate Foundation
- Implemented by the private sector
- Invaluable “real world” research and educational opportunity
- Optimal solutions to the challenges of growth



Solve for a Win/Win/Win

- Homebuyers
- Environmental/Community activists
- Developers



Homebuyers

- Sufficient quantity of new housing to satisfy the population growth
- Superior lifestyle
- Diversity of housing choices
- Convenience of services
- Quality of design
- True community with mix of uses
- Diversity of recreation facilities
- Opportunity for ongoing learning

Environmental/Community Activists



- Environmental sensitivity
- Preservation of open space and natural resources
- Walkable communities
- Alternative transportation opportunities
- More efficient infrastructure
- Having growth pay for itself



Developers and Land Owners

- Reasonable profit – commensurate with risk
- Deliver a successful quality development



Benefits of the Living Laboratory



- Incomparable education
- National attention and acclaim
- Assures quality development at entrances
- Unlocks land value
- Good neighbor/responsible development
- Potential to find solutions

Planning, Design, and Development



Design for Reduced Impact on the Land



- Extraordinary characteristics of the land
- Land uses compatible with the mission
- High quality development
 - Comprehensive resource assessment
 - Preservation of open space
 - Control of view corridors
 - Design guidelines and protective covenants
 - LEED certification

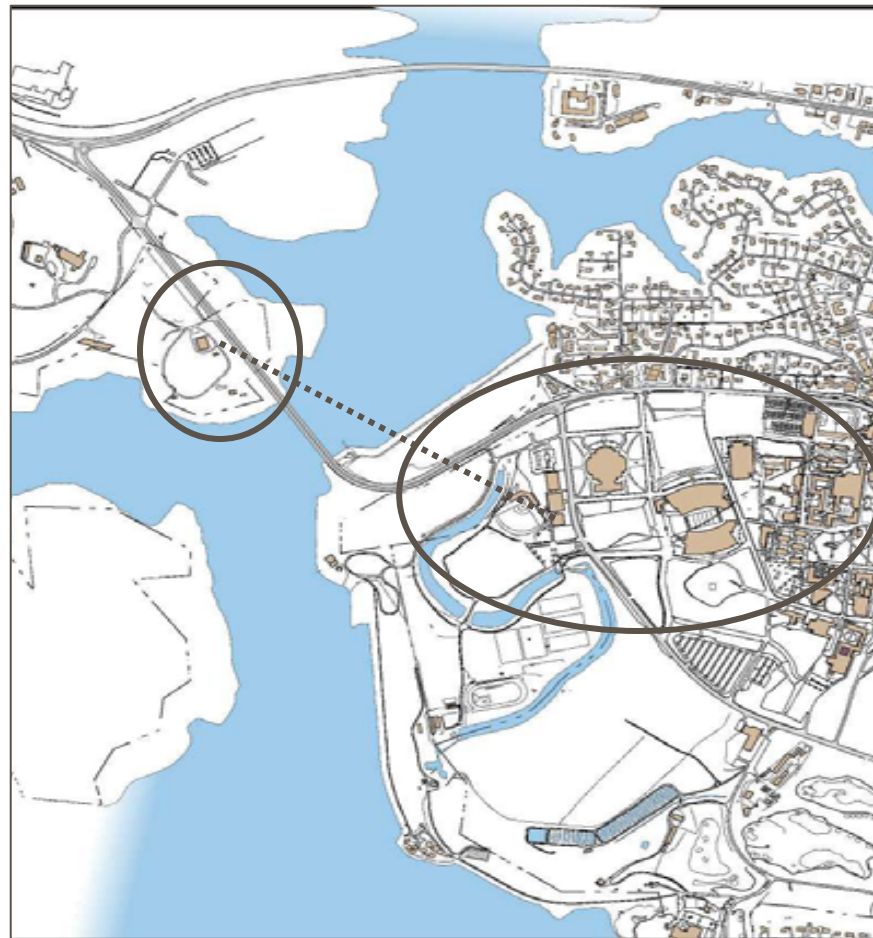




Creation of New Campus Entry



Connectivity to the University Community



Land Relationships



Site 2A





Site 2A – Stonegate Village



- Mixed use center – public uses
 - Upgraded beach
 - Sailing club
 - Informal amphitheater
 - Playing fields
 - Walking/biking trailhead
 - Boat docks for short time use
 - Boat launch



Stonegate Village



- 2 story mixed use building (50K ft² footprint)
 - Information center
 - Daycare
 - Medical offices
 - Fitness center
 - General store
 - Restaurant
 - Service retail
 - Apartments for grad/married students above



Stonegate Village

- Active adult community
 - 125 residential units





Stonegate Village

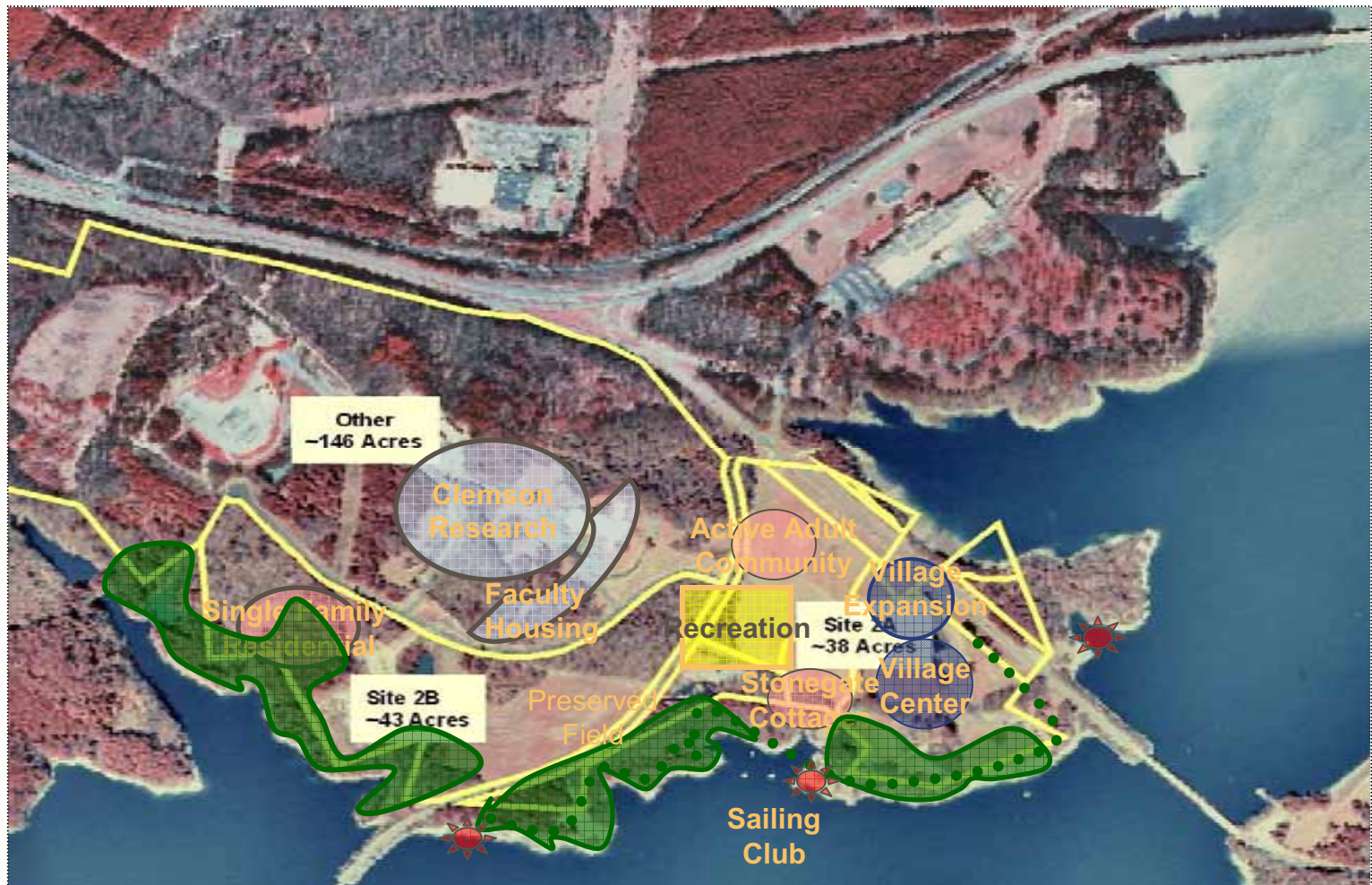


- Lake cottages
 - 25 to 35 cottages averaging 1,500 ft²





Stonegate Village



Site 2B



Lakefront Residential Development



- 43 acres
- 50% of land preserved
- 20 to 25 single family homes

Ravenel Site





Ravenel Site

- Integrated with other properties
- Expand clean research uses
- Residential townhomes



Site 2C



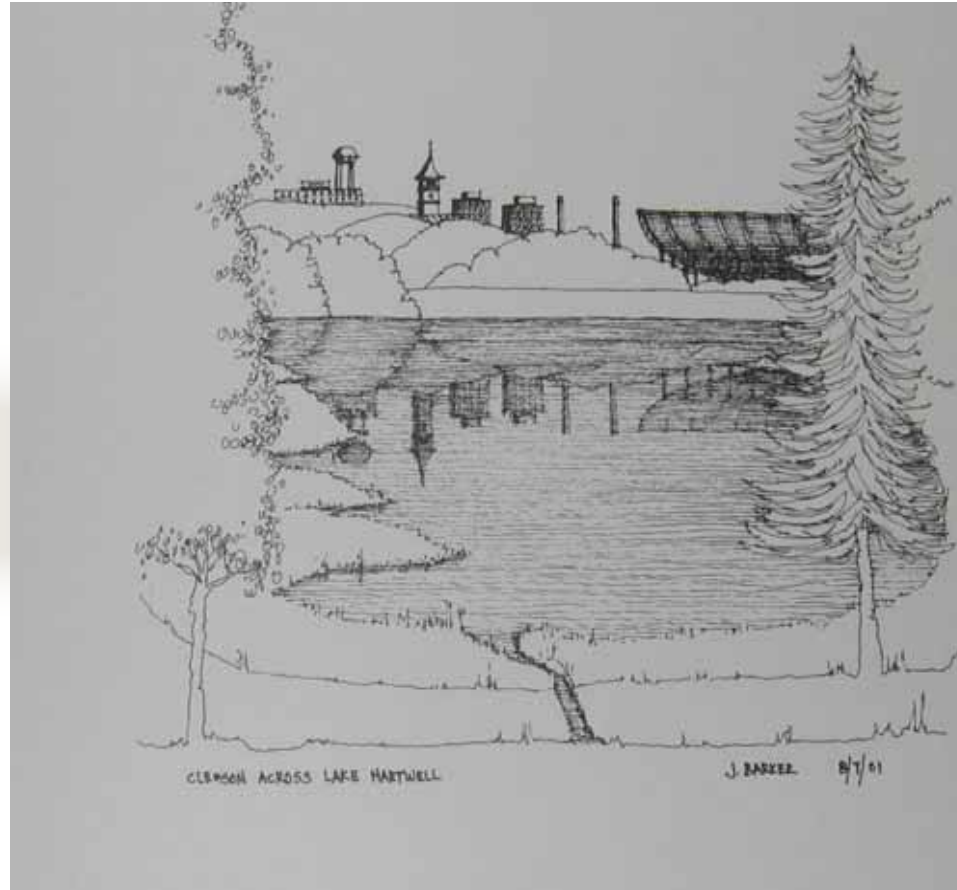


Robinson Property



- 191 acres
- Extraordinary resource
 - Lake frontage
 - Campus proximity
 - Views
- Public lake access preserved
- Views protected
- Lakefront and ridge lines preserved
- 125 to 150 residential units

Summary



“... a campus united by a lake”



This is Just the Beginning...

- Land restrictions
- Community relations
- Tax issues
- Jurisdiction
- Infrastructure
- Effective communication

Collaboration will enhance success...



Summary

- Creating an extended campuses or center for the community, and
 - Incomparable education
 - National recognition
 - Quality development
 - Resources for University mission
 - Solutions for “smart growth” dilemma



Summary

- The sites are very attractive for development... directly in the path of growth
- State cutbacks in funding create need to consider other financial opportunities
- Sites should be developed “right” – in a highly responsible manner
- Opportunity for a “living laboratory” must be further explored and defined



*A unique teaching
opportunity,
to address inevitable
growth,
control the University's
physical destiny, and
enhance resources for
your mission*



CLEMSON
UNIVERSITY



ULI Advisory Services Program
October 18 – 22, 2004