

Earnhardt, Spurrier share mutual admiration  
SPORTS, C1



LIFE & STYLE, PAGE D1  
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# The State

Tuesday, May 16, 2006

115TH YEAR, NO. 136 | SOUTH CAROLINA'S LARGEST NEWSPAPER

thestate.com

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## Districts want more money

Richland 1, 2 seek \$8.8 million over minimum from council

By LISA MICHALS  
lmichals@thestate.com

Richland 1 and Richland 2 school districts will ask Richland County Council for a combined \$8.8 million beyond the \$220 million the county is required to pay.

Council will get its first glimpse of the school systems' spending plans for 2006-07 today.

Richland 1 wants an extra \$6.3 million, primarily to increase employees' pay and fund planned program expansions, such as international baccalaureate programs.

Richland 2 wants \$2.5 million extra to improve programming and offset the costs of the district's growing enrollment, including the cost of more school buses.

Last year, Richland 1 wanted \$856,000; Richland 2 wanted \$1.14 million.

"We have some externally imposed cost increases that we have no control over," said Robert Davis, Richland 2 chief financial officer.

Richland 1 board member Vince Ford said his

SEE BUDGETS PAGE A12



## Bush to put 6,000 guardsmen on border

President Bush made his address to the nation about immigration Monday from the Oval Office.

By KEN HERMAN  
Ken.Herman@theState.com

WASHINGTON — President Bush announced a massive National Guard mobilization Monday night in which 156,000 troops — 6,000 at a time — could be sent to border states for short rotations to help the Border Patrol stem the flow of illegal immigrants. The rotations would begin next month.

The goal is to provide relief and buy time as Bush seeks congressional approval to hire 6,000 more Border Patrol agents and build more detention centers for illegal immigrants.

SEE BUSH PAGE A5

### ON THE WEB

To comment on this issue and to find comprehensive coverage of the immigration debate, read this story at [thestate.com](http://thestate.com).



EXCLUSIVE: BUILDING OUR CITY

# CanalSide kicks off

New neighborhood to transform Vista



Dan Doyle, a vice president at The Beach Co. and CanalSide's project manager, shows housing plans to Carmen Boyer, left, of Chicago. Boyer's daughter recently committed to USC for international studies.

By JEFF WILKINSON  
jwilkinson@thestate.com

A Charleston developer today will break ground to transform an old prison site on the Columbia Canal into a posh, new neighborhood after a decade of starts and stops by the city.

Once home to South Carolina's Death Row, the 25-acre tract at the foot of Taylor Street will become CanalSide, a neighborhood of 750 single-family homes, town houses, condos and apartments.

The project will be the first of four major downtown residential developments to spring from the ground. The others are the Bull Street Neighborhood on the site of the former State Hospital, the Kline Center on Huger Street and Innovista, USC's research district.

These and other projects are intended to attract the "creative class" of researchers, entrepreneurs and others who are expected to transform Columbia's economy in the next decade.

Today's ceremony fulfills a vision set forth by the city in 1995, when it purchased the site of the old Central Correctional Institution from the state for \$3.3 million.

"It's a historic day," Mayor Bob Coble said. "We waited. We planned. And now we have a development that will transform downtown Columbia and significantly add to the tax base."

In addition to the purchase price, the city spent another \$3.6 million clearing and marketing the site, the mayor said.

Developers initially were slow to embrace the property because of the presence of the Prison Industries Building. The site's last remaining building, it was in the National Register of Historic Places.

SEE CANAL PAGE A6

### ON THE WEB

Go online at [www.thestate.com](http://www.thestate.com) to preview CanalSide's video clip promotion.

### BY THE NUMBERS

The CanalSide development

**\$6 million**

What The Beach Co. paid for the 25-acre site

**750**

Number of residential units planned

**\$3.3 million**

What the city paid the state for the site in 1995

**35,000**

Square feet of office and retail space planned

**\$3.6 million**

What the city spent to clear and market the site

**4**

Firms submitting proposals to buy the land

### INSIDE

Our large graphic showing what's to come — and where — at the 25-acre site. **Page A6**  
How will the project, separated from the rest of the Vista by two six-lane roadways, connect with the larger city? **Page A6**

## GOVERNMENT BY STEALTH | The Hunley | Last in a 3-day series

>> Exclusive

# With no market study, sub museum risks sinking

### WHAT WE FOUND

At \$42 million, the Hunley museum would be among the **most expensive built** in the state. Crucial market and site studies to determine whether a sufficient **number of visitors** will travel to the North Charleston site apparently have not been done.

Already, a \$3 million **Hunley exhibit** in a hot tourist market has **failed** to attract sufficient visitors and closed.

**Traffic woes** might keep tourists away from the North Charleston Hunley museum, according to Dana Beach of the S.C. Coastal Conservation League.

Two popular and accessible tourist sites, in Charleston and Mount Pleasant, were **rejected for the museum site**.

**INSIDE:** State's top court sides with a lower court in suit against Friends of the Hunley. **B1**



A Hunley submarine replica built by Clemson College students in 1980 is on display at the State Museum.

\$42 million facility could be one of S.C.'s most expensive, least studied

By JOHN MONK | [jmonk@thestate.com](mailto:jmonk@thestate.com)

Officials who want to build a \$42 million museum for the Hunley submarine in North Charleston haven't done feasibility, site and market studies that experts say are crucial to knowing whether the project will work.

And, if the dwindling numbers of visitors to other, smaller Hunley exhibits are any gauge, it's possible the mostly taxpayer-supported museum might fail to draw sufficient visitors and wind up being a white elephant.

It would be an expensive white elephant. At \$42 million, the future Hunley museum will be among the most costly in South Carolina, above the \$16 million Columbia Art Museum but below the \$70 million Charleston aquarium.

SEE MUSEUM PAGE A8

### ON THE WEB

Online at [www.thestate.com](http://www.thestate.com):  
 ■ Copies of key documents used in today's installation of the series  
 ■ A video animation of the underwater science used to raise the Hunley  
 ■ Video of Sen. Glenn McConnell's Hunley presentation to Clemson University students in March



WEATHER  
Partly cloudy skies and pleasant.  
High 77, low 52.  
PAGE B10

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## DIVINE SUBSTITUTION

Art replaces stained glass at this church — temporarily. | B1

CANALSIDE DEVELOPMENT



Celebrations of Columbia employee Mike Davis helps make preparations for today's groundbreaking ceremony.

# Location helps, hurts project

Despite attractive location, getting to downtown by foot poses a challenge

By JEFF WILKINSON  
jwilkinson@state.com

CanalSide's location is part of its appeal, perched on what amounts to a 50-foot cliff overlooking the Columbia Canal and the river beyond.

But it's also isolated and presents a significant challenge for planners who want to connect it to the rest of the city.

The 25-acre tract is separated from the rest of the Vista by what are essentially two six-lane highways — Huger Street to the east and Hampton Street/Jarvis Klapman Boulevard to the south.

The streets, like other downtown thoroughfares, are daunting to pedestrians. They put a damper on people strolling from one part of the Vista to the other.

And there are no quick answers. The company is depending on the Three Rivers Greenway and future development nearby to tie it more tightly to the Vista.

"It's something we're cognizant of," said Dan Doyle, a vice president of The Beach Co. and CanalSide's project manager.

The project is designed to be pedestrian-friendly within its boundaries. And it will be connected by a wide "esplanade" to the greenway, which runs along the canal and the river.

The good news is the greenway will allow a lowly north-south walk to any of the riverfront's features: the State Museum, EdVenture, Riverfront Park, the diversion dam and eventually a new riverfront park and innovation district envisioned by USC and the Guignard family.

"The number one connection is the Three Rivers Greenway," Doyle said. "We want to emphasize how important that greenway is to our project."

But traveling east on foot still will be a challenge.

The Beach Co. plans to install traffic signals at Taylor and Williams streets, Doyle said, which should help somewhat.

But it might take time for the city to grow along Huger Street and envelop the canal front.

As the Kline Center rises at Huger and Gervais streets and the adjacent bus barn site is redeveloped, the area organically will become more pedestrian, Doyle said.

Already, he said, an office building has been planned at Taylor and Huger streets, across Taylor from the BellSouth building and across Williams from CanalSide.

"Eventually that will all fill in," Doyle said. "It will create natural connections."

Fred Delk, executive director of the Columbia Development Corp., a public-private partnership that attracts investment in the Vista, said "connecting the dots" is a challenge all over downtown.

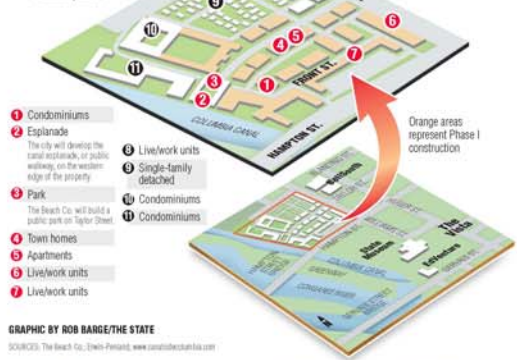
Columbia was the second planned city in the United States, after Washington, D.C. And when planners laid out the streets in the

## CanalSide

The Beach Co. of Charleston will develop an urban village on the 25-acre CanalSide property that will include 750 residential units and 35,000 square feet of potential office and retail space. The Beach Co. purchased the property from the city of Columbia last year for \$6 million.

### SITE PLAN

- Phase I
- Future phase



GRAPHIC BY ROB BARGE/THE STATE

SOURCES: The Beach Co.; Erik Penard; www.canalsidecharleston.com



18th century, broad avenues such as Gervais, Assembly, Huger and Blossom were on wogue. Legend has it that planners believed mosquitoes wouldn't cross such wide streets. Go figure.)

But now, the wide streets are a mixed blessing.

"Between CanalSide and the Kline Center, we are going to have 1,200 residential units down there, and we have to find a way for those people to safely get across Huger Street," Delk said. "And it's the same with Assembly. We have to find a way to connect Main Street to the Vista."

"We can move a lot of cars on those streets," he said, "but we have to be aware of the flesh-and-blood human beings who want to live and walk in this neighborhood. The city needs to make a lot of connections."

"But we have to be aware of the flesh-and-blood human beings who want to live and walk in this neighborhood. The city needs to make a lot of connections."

FRED DELK, executive director of the Columbia Development Corp., a public-private partnership that attracts investment in the Vista

## CANAL

FROM PAGE A1

So the city decided to be its own developer.

But when estimates of \$10 million came in for a second round of site improvements in 2004 — adding water and sewer, roads, sidewalks, etc. — the city got out of the development business. It tore down the building and sold the property to The Beach Co. for \$6 million.

The Beach Co. is one of South Carolina's pre-eminent development firms. Its resume includes the Isle of Palms and Kiawah Island, the latter being the largest real estate transaction in South Carolina history.

"The downtown areas of Columbia are where Charleston was many years ago," Beach Co. chairman Charlie Way said. "People want to live downtown, and we're going to build that housing. This is a home run for us."

The site plan is impressive:

- Two eight-story condo towers would front the canal.

- Taylor Street would be extended, forming a wide boulevard through the center of the property.

- A new park and city-built "esplanade" would overlook the canal and connect the development to the Three Rivers Greenway.

- Six blocks of single-family homes would form a traditional neighborhood.

- Town homes, condos and apartments would line newly built streets.

- Stores would be located in the first floor of the condo towers, housing coffee shops, dry cleaners and other neighborhood shops.

- A rooftop bar and restaurant would provide unmatched views of the city and the river.

The company will spend the next few months building streets and other infrastructure, said Beach Co. vice president Dan Doyle, who is CanalSide's project manager.

"Vertical" construction — i.e., buildings — should sprout by this fall, he said.

The plan calls for 200 apartments, 30 single-family homes, 80 town homes and 480 condos.

The first phase of construction is to be completed in three or four years. It would include:

- A three-story apartment building on the south edge of the property, bordering Hampton Street

- Three-story rows of town houses lining Taylor Street

- One of the eight-story condo towers, to be located on the northwest corner of the property, overlooking Riverfront Park

The second phase would include the single-family homes in the northeast quadrant and the second condominium tower.

The third phase would include a third condo building in the interior of the site and a second apartment building.

The time frame for the second and third phases of the project work to date is about 18 months, Doyle said, although he predicted a five- to 10-year build out.

The company hasn't released prices for the units. Doyle said "price points" should be locked down this summer.

However, in the past the company has said most of the homes will sell for more than \$200,000, though there could be some condos that sell for slightly less.

The apartments, too, could provide lower-priced options.

"Everything in CanalSide will be market rate," Doyle said. "The question is what is that rate. It's very relative."

The architecture will be cohesive, but diverse, governed by covenants and design guidelines, said Kristen Lee, The Beach Co.'s marketing director.

"There will literally be something for everyone in terms of price point and style," she said.

Prior to the sale, the city withdrew a requirement that the developer include "affordable housing" in the plans.

The city had asked that who-

## CANALSIDE TIMELINE

Columbia has been working toward the redevelopment of the Central Correctional Institution property for nearly 10 years.

**1995**

City buys the site from the state for about \$3.3 million

**JULY 1998**

City unveils conceptual plan for mixed-use retail and residential community

**SUMMER 1999**

City demolishes Richards building and Cell Block One

**JUNE 1999**

City approves Atlanta developer's detailed plans for a 500-unit, \$125 million project

**NOVEMBER 2000**

City decides to take on responsibility for developing the property after Atlanta developer drops out

**SEPTEMBER 2001**

City approves zoning for CanalSide

**JUNE 2002**

Infrastructure work begins at the site

**JANUARY 2004**

City demolishes Prison Industries Building, the site's last facility

**AUGUST 2004**

City Council decides to sell the entire property to a single developer

ever bought the site make 25 percent of the residences affordable for people who earn 80 percent of the area's median income or less, which equals about \$32,500.

Instead, Coble said the city will use some revenue from the sale to offer low-cost mortgages for housing in CanalSide and elsewhere in the city.

The particulars of that program have not been developed, the mayor said.

"We are obviously creating a housing boom, and we want to make sure working families can afford to live in downtown Columbia," he said.

"We are obviously creating a housing boom, and we want to make sure working families can afford to live in downtown Columbia," he said.

It's an advantage, he said, because the company will be the first to tap what research shows is an untapped desire for downtown living by aging baby boomers, empty nesters, retirees and the vaunted "creative class."

"There is a lot of capital on that," Doyle said.

But the timing is a challenge because CanalSide will be the first major project to test the theory of selling downtown Columbia as a residential destination.

Buyers might wait to see what other options become available.

"It's great to be first, but others may benefit as well," Doyle said. "Others may leverage the excitement we create. But that's OK."

Coble predicted the various projects will complement, rather than compete with each other, creating a greater buzz about downtown.

"We're glad that all those companies and people are interested in investing in downtown. We have tremendous developments announced from Two Notch Road to the river. All of the pieces are starting to fit together."

Roach Wilkerson at (803) 771-8455

## ABOUT THE BEACH CO.

The development firm was founded in 1945 by J.C. Long. Long purchased the entire Isle of Palms for \$80,000, beginning the company's rise as one of the state's pre-eminent developers.

The family firm is chaired by former state Commerce Secretary Charles Way, Long's son-in-law, and run by Way's nephew, John Darty.

Through the years, The Beach Co. has developed dozens of commercial and residential projects, mostly in Charleston.

## Projects

**Majestic Square:** 255,000-square-foot, mixed-use development at King and Market streets in Charleston

**Kiawah Island:** 10,000-acre barrier island, purchased by The Beach Co. in 1988, the largest real estate transaction in the state's history

**Parkside Condominiums:** 63-unit apartment complex, now condos, that helped spur development when built in Columbia's Vista in 1996

SOURCE: The Beach Co.



CANALSIDE DEVELOPMENT



Interest at CanalSide's sales office on Gervais Street was noticeable even weeks before today's groundbreaking ceremony.

# Advertising promotes area as hip locale

Man who helped develop campaign says the ads should 'change attitudes'

By JEFF WILKINSON  
jwilkinson@thestate.com

The first thing you notice is the video in the window: a loop on a high def monitor showing night life in the Vista — streaking moon, urban bustle, a glittering skyline.

A peek inside CanalSide's new sales office reveals posh furniture, an urbane sales staff and tasteful accoutrements. Think Banana Republic with blueprints. Contemporary, clean and cool.

The office and a new ad campaign to be launched today by The Beach Co. are aimed at telling a new and (some would say) unlikely story.

It's hip to live in Columbia. The company's campaign is the first private effort to market downtown Columbia as a destination for living. And don't expect any nods to friendliness flowing or happenings now.

That's so... municipal. The campaign — "The New Way To Live in Columbia" — is modern, urban and hip. Much like the people The Beach Co. marketers are trying to attract.

It's not your age, where you're from or who your daddy is that will define a CanalSide resident, said Kristen Lee, The Beach Co.'s director of marketing. It's an attitude.

"We are targeting people with a progressive mind-set," she said. Exhibit A is the company's sales office at 807 Gervais St., in the heart of the Vista.

"It has a boutique feel," Lee said. "We tried to give it a little bit of an edge, so people can get the feel of CanalSide."

Exhibit B are the ads and billboards — already in the market. Black, white and copper, they are intended to exude cool, establish the brand and pique interest. They proclaim, "We're Turning Downtown Upside Down."

In one, wine flows up to its glass. Columbia's skyline is flipped in another. A third shows elevator buttons going up to the first floor.

Andy Mendelsohn is executive creative director of Greenville's Erwin-Pensland advertising firm, which developed the campaign.

He said "the message here is that once you realize what they have designed for CanalSide, you're never going to look at downtown the same again. We're going to change attitudes."

The campaign is a bit of a departure

for the venerable The Beach Co., developer of Isle of Palms, Kiawah Island and any number of palmetto-bedecked projects around Charleston.

The view in Columbia is river and skyline, not ocean and creek.

"Not being in the Charleston market was a challenge," Lee said. "But we think the creative (campaign) matched the vision (for the development)."

Mendelsohn said the campaign taps a national trend toward downtown living, one spurred in large part by aging baby boomers turning in their SUVs for Z4 Roadsters.

"Baby boomers have grown up with an entertainment and instant gratification mentality," he said. "So we're saying, 'You can get it now. Just walk out the door and it's there.'"

"For a lot of people, the suburbs are too dull," he added. "Good if you are into family and gardening. But dull."

The campaign will focus mainly on billboard and print ads, not broadcast. There will also be a strong online presence: www.canalsidecolumbia.com.

And expect some unexpected.

Guerrilla marketing, for example, Mendelsohn said. But he won't say how. "It wouldn't be guerrilla then."

Today's groundbreaking will also kick off a second series of ads that tout the many activities available in downtown.

One says: "Dancing. Walking. Eating. Playing. It Doesn't Leave Much Time for Sitting."

The campaign is part of a six-month blitz that will include direct mail to

companies and organizations whose members might be interested in the development: the Greater Columbia Chamber of Commerce, large downtown firms and others.

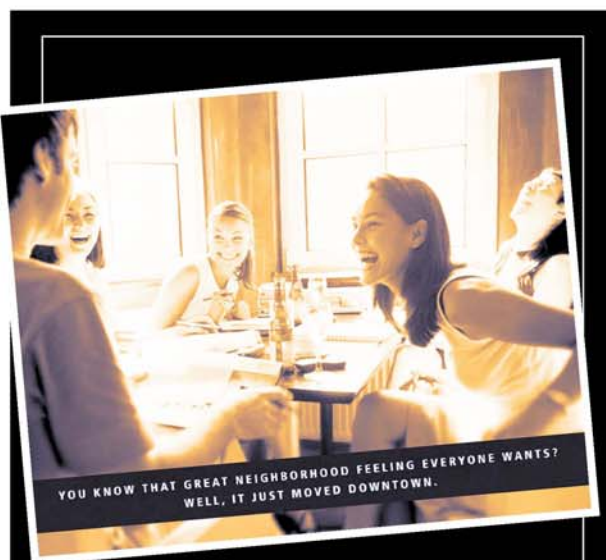
For instance, BellSouth's downtown office building is located directly across Williams Street from CanalSide.

"It's great having 1,200 people working right there," said Beach Co. vice president and CanalSide project director Dan Doyle. "It's a good place to start."

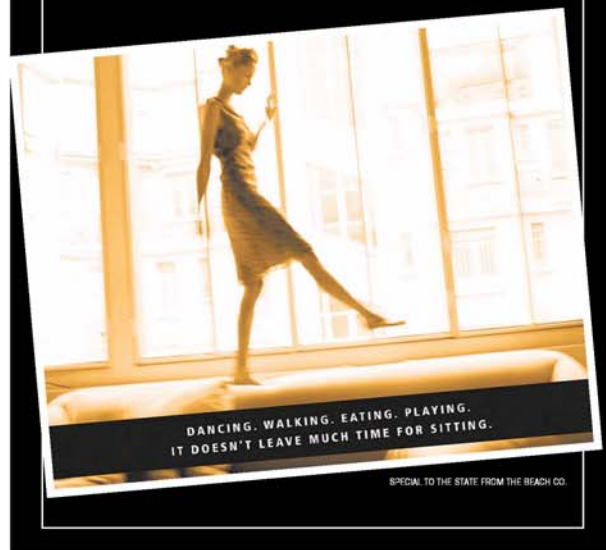
The campaign is music to Fred Delik, executive director of the Columbia Development Corp., a public/private partnership that has been working to attract businesses and residents to the Vista for years.

"I like that it's specific to their project, but it is general enough to raise awareness of the whole city center and the amenities it offers," he said.

"The Vista is a different place than it was several years ago. The area really has been turned upside down. They are right. The whole campaign is creative and fun."



Sample ads from The Beach Co. will begin running this week.



## SELLING COLUMBIA

Themes from The Beach Co.'s latest round of ads:

"You Know That Great Neighborhood Feeling Everyone Wants? Well, It Just Moved Downtown."

"Dancing, Walking, Eating, Playing, It Doesn't Leave Much Time for Sitting."

"CanalSide: The New Way to Live in Columbia"

"We're Turning Downtown Upside Down"

SPECIAL TO THE STATE FROM THE BEACH CO.

