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WINNER OF THE 2015 PULITZER PRIZE FOR PUBLIC SERVICE

After 6 years, \$15M and courting pop star as partner, Charleston office building opens soon

BY WARREN L. WISE



Lindsay Nevin, president of property management and contracting firm Flyway, talks about The Refinery during an early July, walk-through of the three-story building that's under construction on Meeting Street Road on Charleston's upper peninsula. The new structure will include office space, a restaurant and a 300-seat amphitheater in the back. Gavin McIntyre/Staff

Not so long ago, a white cross stood on an overgrown lot beside what was once an oil company's southeastern headquarters on Charleston's upper peninsula. It was a relic of the temporary tent revivals frequently held on the site years ago. Now, the 4-acre parcel at 1640 Meeting Street Road features a more permanent fixture.

Co-owned by development and general contracting firm Flyway, a new three-story office structure called The Refinery with a restaurant space and a 1500-seat amphitheater in the back is nearly complete.

The \$15 million project sits beside the company's offices, housed in the three-

story building next door that once served as the regional office for the former Standard Oil Co.

Flyway president Lindsay Nevin first talked about the 45,000 square-foot project six years ago, but it finally took root last year and is set to be completed by October. The lengthy lull came with quite a few twists and turns.

Besides the 18-month holdup of jumping over all the regulatory hurdles after the proposed development was first announced, Nevin ran into an unexpected wrinkle in lining up a business partner. He was working on a financial-backing deal with part-time Charleston resident Daryl

Hall, half of the famous pop rock duo of Hall and Oates with hits from the 1970s and 1980s such as "Maneater," "Private Eyes" and "Kiss On My List." Many other top 40 hits would follow.

"Daryl wanted to do a nightclub and do performances here," Nevin said. The two worked together for about a year to come to an arrangement. "Daryl was great with the plan and the community component, but the group he was affiliated with, we had a hard time with them," Nevin said.

Then, in 2017, Hall and Oates decided to start doing small shows on a new tour. Their performances took off, and they began booking bigger arenas in the U.S. and around the globe. Hall's interest in the smaller Charleston venue fell off the radar, so Nevin had to find a new business partner.

That's when he turned to Stephen Wendell, CEO of West Virginia-based Mountain Shore Properties, a real estate development firm. Several years ago, Nevin renovated a downtown Charleston house for Wendell, so the two started talking and the Mountaineer State company stepped in as a business partner to help financially back the enterprise.

After the deal came together, the two broke ground last year. Mountain Shore will occupy a small ground-floor office. "Being on the upper peninsula, having parking and working in a cool building with a sense of place is exciting for us," Wendell said. "When we get the amphitheater rolling, it will definitely be the place to be."

In all, about half of the three-story building, including common areas, is already spoken for. With the coronavirus throwing in the latest crimp, Nevin realizes it may take longer than he expected to lease the vacant spaces. "With the uniqueness of the product, I'm content we will have it

filled up by next year,” he said. “My sense, based on the businesses we cater to, is that we have a short-term issue we are dealing with,” Nevin said. “The types of businesses we are working with might be working from home now, but most of those like the office productivity component and will return once the virus threat dies down.”

Pete Harper, a commercial real estate agent who specializes in the office market for Lee & Associates, said the Charleston market is being affected to a small degree by COVID-19. “You can’t assume you are going to finish the building and be at 60-70 percent occupancy,” Harper said of new office product coming to market. “You have to assume two years to get to a stabilized occupancy.”

Having said that, he believes The Refinery will do somewhat better because it’s set up for small office spaces and should be able to take advantage of movement within the market. “Tenants don’t have to go to the southern end of the peninsula and deal with flooding and parking,” he said.

And in the Charleston area, Harper hasn’t seen an exodus of office tenants. On the contrary, he believes the influx of wealthy residents buying luxury homes in Charleston will add to the demand for small work spaces as corporate leaders search for local satellite offices. “There is a demand for office tenants looking for 5,000 square feet or less,” Harper said.



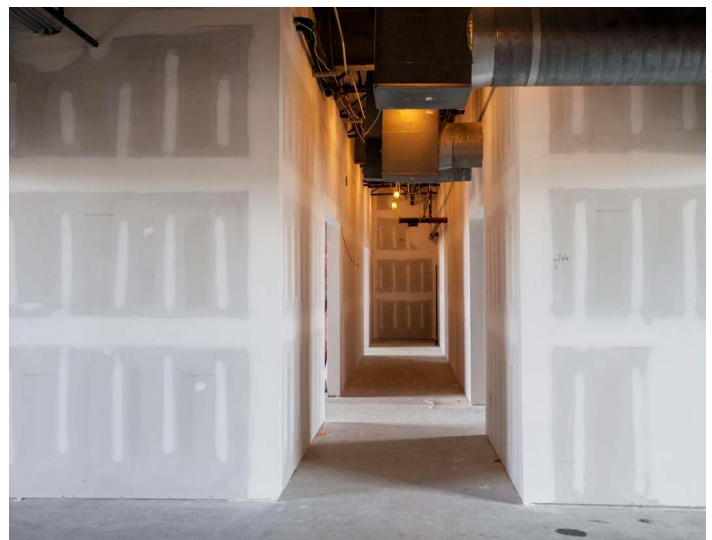
Construction continues on the 4-acre site of The Refinery, at 1640 Meeting Street Road in Charleston. The location was once part of the regional offices for Standard Oil Co. but will now be the home of an amphitheater, restaurant and office space. Gavin McIntyre/Staff

Among the tenants already lined up beside stakeholder Mountain Shore is Liollo Architecture. The long-standing Charleston firm will move into part of the second floor when it relocates this fall from James Island, its home for the past years. It also will have the added benefit of direct access to a balcony overlooking the amphitheater. The “rooftop,” as Nevin calls it, will have a capacity of 300.

The move also will bring the firm — and its employees once the virus has abated — to a more geographically central part of the region. “It’s an exciting area to be in now,” said Dinos Liollo, a principal in the firm started by his father, Jimmy Liollo, in 1956. “We feel like the energy there will add to our capacity to remain on the forefront of design firms.”



Construction continues on a ,1500-seat amphitheater at the 4-acre site of The Refinery at 1640 Meeting Street Road on Charleston’s upper peninsula in early July. The three-story building will include multiple office tenants and space for a restaurant. The project is set to be completed in October. Gavin McIntyre/Staff



The Refinery is a new three-story office building rising at 1640 Meeting Street Road on Charleston’s upper peninsula. Construction, seen here in early July, is set to be completed in October. Gavin McIntyre/Staff

In recent years, the area has been transformed from a gritty industrial strip to new businesses such as the US Foods ChefStore, the Belvidere office and parking complex under construction and the Lumberyard multi-tenant office building up the street. In addition, a hotel, apartments and other businesses are in the works or recently relocated nearby.

On the top floor, Flyway will be set up along with a trio of small firms who will share a conference room as well as a nearby kitchen and break area.

One part of the building not yet spoken for is a 3,000-square-foot restaurant space on the bottom floor next to the amphitheater. A deal was almost inked when the coronavirus cut in. "I'm still confident in the restaurant space being occupied soon," Nevin said. "The site offers something unlike anything else in Charleston."

He also plans to partner with an entertainment group to perform 15-20 shows a year along with possible orchestral performances in the amphitheater, but he doesn't foresee that happening for about a year. Still, Nevin is pleased with the building's progress after six years of ups and downs. "It's been a long road," he added. "I'm really happy to see it come to fruition."

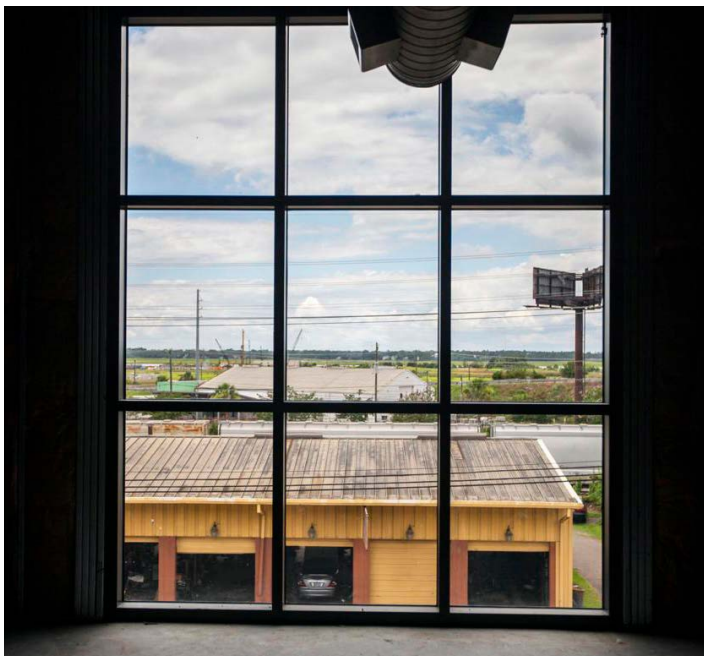


A construction crew works on the outside walls of The Refinery on Meeting Street Road in early July in Charleston. The three-story building will house offices and a restaurant and will include a ,1500-seat amphitheater in the back. Gavin McIntyre/Staff

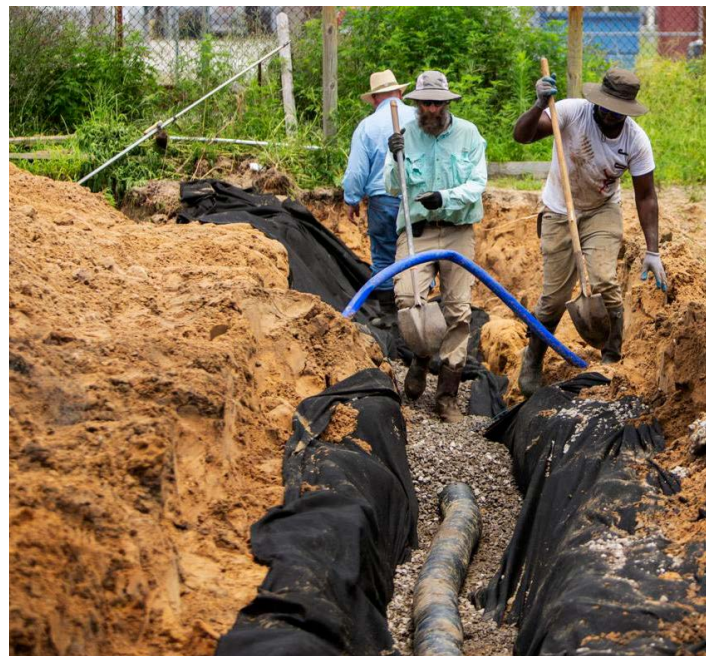
The Refinery Tenants

1ST FLOOR	Mountain Shore Properties 1,100 square feet
2ND FLOOR	Liollio Architecture 5,000 square feet
3RD FLOOR	Flyway 3,000 square feet
	Gaylord & Dorothy Donnelley Foundation 2,000 square feet

Note: About half of the building remains to be leased.



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Construction continues in early July on a ,1500-seat amphitheater at the 4-acre site of The Refinery, a three-story office building that will include a restaurant at 1640 Meeting Street Road on Charleston's upper peninsula. Work is set to be completed in October. Gavin McIntyre/Staff