

# Reclaiming History in Augusta

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AUGUSTA, GA. - When Clay Boardman purchased the historic Enterprise Mill, he didn't realize how difficult and costly the renovations would be.

I learned a few million dollars worth of lessons, he said. Exactly how many million he declined to say.

However, according to a story in The Augusta Chronicle, Boardman put \$20 million into Enterprise Mill after purchasing it in 1998. When he sold it in 2006, county records say it went for \$13 million.

It's a measure of the man that Boardman can take that kind of financial lesson, keep smiling and do the same thing all over again. He has since taken on the Widows Home, the Houghton School and the Sutherland Mill. He and his brother, Braye, are working to turn the William Robinson School into condos.

And now he has his sights set on his largest project ever the Sibley Mill, a 500,000-square-foot former textile mill in one of the most picturesque spots on the Augusta Canal.

Sutherland Mill sat empty for years, but now Clay Boardman thinks it could become medical office condominiums. It's located across the Augusta Canal from the Medical district, right beside the new St. Sebastian Way Connector. Photo by Joe White

I just have an interest in historic buildings and feel we've had so many wonderful buildings destroyed in this town and so it's been a passion for some time, Boardman said.

He's sitting in the brick-walled boardroom of Boardman Petroleum at Enterprise Mill. Morning light flowed in the windows. Boardman smiled. It's the smile you see on his face day after day, a boyish grin that seems hard to believe at first. Then it keeps coming and you begin to accept that it's an inner beacon, not an act.

His family history in Augusta goes back more than a century and a half, but most of the family's wealth was built in the late 20th century. Hollis C. Boardman formed People's Oil Co. in the early 1900s. His son, Alonzo, created Boardman Oil Co. Hollis' grandsons, Jack and Red Boardman, Clay's father, entered the gasoline business in the 50s. They struck it big after the gasoline crisis in the early 70s when they built the Smile Gas brand.

Smile Gas would become a chain of 67 stores and 20 vacant future store sites at the time of its sale in 1999. Sons Clay and Braye eventually took over the gas stations, then Clay expanded into petroleum storage. He owned petroleum storage facilities in North Carolina, South Carolina, Virginia and Georgia, where trucks would come and load their gasoline, diesel fuel and jet fuel.

In 1999, the family sold the gas stations for about \$70 million, according to a report in The Augusta Chronicle. In 2004, Clay sold the petroleum terminals for about \$75 million, according to the Houston Business Journal.

Now Clay Boardman focuses primarily on real estate. Though he has been involved in a condominium project in Atlanta, many of his efforts have been in historic real estate in Augusta.

I've focused mainly on industrial-style properties and turning them into something else, Boardman said.

Enterprise Mill was his first venture. Though he had been involved with Historic Augusta, he was a rookie as a developer. And this was a monstrous project.

The abandoned mill had more than 260,000 square feet of space. The windows had been bricked up. There was no precedent in Augusta for the kind of renovation he was doing. And he had no idea what the demand for the facility would be.

Boardman admitted, It was a build-design project, rather than the other way around. We began work right away instead of developing a full set of plans.

In 18 months, he renovated it into a mixed-use office and residential building with 56 apartments. I wish I'd done more apartments, he said. I think it helped spur further loft apartments in downtown Augusta.

Indeed, Paul King and Bryan Haltermann have since developed many more units in the core of the city.

Enterprise Mill was not a financial winner, however. No. It didn't work out at all, Boardman said, but it was the most fun thing I've ever done. By far, times 10. And it will work out for the current owners.

Since selling Enterprise Mill to Melaver Inc. of Savannah, Boardman has continued to manage the facility. They've given us a profit incentive, so hopefully I can earn back some of what was lost.

But Boardman is proud of what he built. It's a source of pride when people go over the expressway and see a major development, he said.

If I had done it in some other town that I didn't have such an emotional attachment to I would have done it much differently. I could have done it much cheaper, and chose not to because I live here.

What he learned with Enterprise Mill, Boardman is now applying at the Sutherland Mill.

Sutherland Mill sits on the canal, just a short walk from Enterprise Mill. However, it has been hidden from view for years. The bend of the Calhoun Expressway runs overhead. Support pillars and vine-covered fences block the view of the building.

Sutherland has been sitting vacant for years. It was born as a spinning company in the 1880s. In its last days, it was a waste processing facility. Rags and remnants from mills in Graniteville would be brought there to be reprocessed, Boardman said.

It's 56,000 square feet about a quarter the size of Enterprise Mill. The floors aren't such rich and historic wood, but, in many ways, Sutherland is in dramatically better shape. The windows are mostly intact, for instance.

Some criticized the Downtown Development Authority for providing Clay Boardman with a \$200,000 interest-free loan to rescue the old Houghton School on Greene Street, but he renovated it and turned it over to the Heritage Academy at cost. Photo by Joe White

And more important, Boardman is beginning this project with a plan and a partner, Melaver. They are a very environmentally friendly, passionate group, he said. They plan to develop it to Leadership in Energy and Environmental Design (LEED) standards, which will maximize energy efficiency and minimize the use of artificial light. Boardman knows of no other large building in Augusta that's LEED certified.

On a walk-through of Sutherland Mill, Boardman pointed to the clearstory above the main floor, a center roof that's been popped up with walls that are full of windows to let in light. Every office or space in this building will have natural light, he said.

As I take his picture in the natural light flowing through the windows, he can't stop grinning.

The Sutherland Mill will be one of the beneficiaries of the new St. Sebastian Way connection to Riverwatch Parkway. St. Sebastian will cross the Augusta Canal and run directly in front of the mill before it passes beneath the expressway and in front of Enterprise Mill.

When the canal no longer separates the mill from the medical district, Sutherland will become a prime location for medical office condominiums. We're virtually contiguous with University Hospital now, Boardman said.

In addition, Sutherland sits next to Walton Rehabilitation Hospital and Boardman has been talking with the Walton's CEO about providing space. He's landlocked, Boardman said. I believe we can work out an arrangement to open the two properties up together.

Boardman is also considering creating loft condominiums. A number of people have asked to purchase Enterprise Mill apartments, which isn't possible under the current structure of that building. Sutherland could be designed with the notion of creating owner-occupied properties.

Now, Boardman is cleaning out and stabilizing the property. A falling-down cotton warehouse was destroyed, but the brick was salvaged. He hopes to use the 100-year-old brick for repairs and walkways.

To meet LEED standards, Boardman is recycling many of the materials from the mill. He's replacing the windows with new ones that maintain the historic look, yet insulate much better. The building will also get a new roof.

He plans to cover the floors in a thin layer of concrete such as those often seen in modern buildings. That's partly because a medical office will need a more sterile environment than could be maintained with old wooden floors. But it will also help solve problems of sound and moisture penetration, as well as leveling issues.

There are also hydro potentials with Sutherland utilizing the excess power generated from the hydroelectric plant capacity at Enterprise. While Sutherland's generators are long gone and the water rights lost, a channel still runs from the canal to the lower level of the canal. Boardman says there's some potential for creating new flows there to fill the old, abandoned second level of the Augusta Canal.

And where he lost seven figures on Enterprise Mill and it was worth it, he's confident that Sutherland will be a profitable development.

Boardman renovated Enterprise Mill and had people living there only 18 months after he started. He expects a similar timeline for the Sutherland Mill. The city could have asked for no better developer than Boardman to take on the Sibley Mill.

I sat down with Mayor Deke Copenhaver just a few minutes after Boardman discussed the idea with him earlier this spring. The two are related through Copenhaver's wife, who is a second cousin to Boardman. And in life, they share similar civic interests.

While Boardman has said nothing publicly yet, he was on the phone to Copenhaver floating the idea of turning Sibley into mixed-income housing, similar to what the public rejected for a site in South Augusta.

The Sibley Mill, built in 1880, operated until 2006. Historic Augusta placed the mill on its Endangered Properties List because of its architectural and historic significance, and because of concerns that it would rapidly deteriorate if it sat empty.

In Boardman's vision, a renovated Sibley Mill, with its historic smokestack marking the site of the Confederate States Powder Works, would sit across the canal from a new Kroger Center. The two developments would spark a rebirth of Harrisburg. And by creating new housing, it would clear the way for redevelopment of Gilbert Manor by the Medical College of Georgia.

The old Davidson High School on Telfair Street now sits boarded up and decaying, even though Clay Boardman has made informal offers to buy it from the Richmond County Board of Education. Photo by Joe White

Mayor Copenhaver thinks such a vision is exactly in keeping with Boardman's personal mission. Enterprise Mill was a completely civic-minded project, Copenhaver said. Sibley would be nothing less.

Everything I've seen that Clay has done has been innovative, Copenhaver said.

When Boardman and I first spoke in April, he was waiting to see what happened with talks between Avondale and another potential buyer. He was next in line.

On May 25, he announced that he had a contract to purchase the Sibley Mill. He wrote in a press release that he had been dealing with the Felkers, primary owners of Avondale, and seemed to have found kindred souls.

They wanted the mill preserved in a way that the city would be proud of and that is my intent, Boardman wrote. They had other options that may have meant that they could have realized more economic gain, but chose me and my team to undertake this project. I give them great credit for their concern for our community.

In our conversation, Boardman said, I think it has great potential. It would be a huge project.

He anticipates tearing down many of the outbuildings at Sibley Mill, but it will still be more than 50 percent larger than Enterprise Mill. It has its own hydropower, too. As he did with Enterprise Mill, Boardman anticipates leasing the generators to the Augusta Canal Authority and buying power back to light the building.

In April, Boardman was already thinking about creating mixed-income housing at Sibley. What I'm talking about has been successfully done in so many areas, he said.

You get people in public housing. You get them mixed in with people who are paying full market prices. It makes them better people when they see prosperity going on around them, he said. Such a proposal at Sibley Mill is likely to raise little opposition from neighbors, primarily because the mill has few neighbors.

Sibley Mill would be a wonderful candidate for that and especially because it's across from the Kroc Center site.

The Kroc Center, though far from reality, has been in the works for years now. If the community and city pass muster and raise half the funding, the Kroc Center would incorporate Boys and Girls Clubs, Salvation Army and a performing arts theater, among other things.

I think it's a wonderful project, Boardman said. Look at the one in San Diego and it takes your breath away.

Boardman sees much greater potential for historic redevelopment in Augusta. Long term, he thinks Harrisburg will prosper.

There are so many smaller houses in there, most of which are historic, he said. You could spend \$75,000 on a house, do some work and make some pretty darn good money.

Boardman has done smaller projects himself. In 2004, he came to the rescue of the Widows Home and the Houghton School, both on Greene Street in Olde Town.

Houghton was where his grandparents went to school, so he had a special interest. Both properties were vacant and declining when Historic Augusta and the Downtown Development Authority worked together to come up with funding and bring Boardman into the projects.

Erick Montgomery, executive director of Historic Augusta, said that Boardman was involved with the group's historic properties committee at the time. Montgomery sent out a request asking the committee to brainstorm some possible solutions to saving those properties.

He e-mailed back, Montgomery said. It said, Well, what about me?

The DDA offered Boardman a \$200,000 interest-free loan to entice him into the projects. He also put up several hundred thousand dollars of his own money to acquire the properties and stabilize them.

Boardman still owns the Widows Home and he is working with a Christian-based community health clinic to locate there. Boardman has agreed to gift the renovated Widows Home to them.

He recently completed a deal to put the Houghton School back to its original purpose— education. According to the DDA's annual report, Boardman sold it to the Heritage Academy at cost. That was \$1 million, county records indicate.

Boardman and his brother Braye are now taking on the old William Robinson School in a prime area of the Hill, just off Walton Way. He said they plan to turn it into loft apartments on the school property, as well as 15 condos in what is now the playground area.

Martha Lester School on Broad Street is another decaying Richmond County Board of Education property that Clay Boardman has been watching. He sees the School Board's treatment of many of its older properties as demolition by neglect. Photo by Joe White

The structure will feature a large common green space. The new construction will be designed to match architecturally with the existing building.

It's the school where my parents went to school, Boardman said. It will create a unique project on the Hill.

Boardman is also interested in the old Davidson High School, which now sits boarded up on Telfair Street. I've made informal offers on it, he said. It's a terrible resource to have go to waste. It would make a great condo project.

Boardman cringes when he sees what the Richmond County Board of Education has allowed to happen to Davidson and other old schools, such as Martha Lester School on Broad Street not far from Sibley Mill. It's demolition by neglect, he said.

He is concerned that prices have been depressed in Augusta's housing market. In Augusta, people don't pay rents high enough to justify some of the redevelopment, he said.

In other cases, Augusta properties have been placed on the market at prices that are too high for redevelopment to pencil out. If it doesn't make economic sense, you can't finance it. And if you can't finance it, you don't build it.

While many look at Augusta and see abandoned buildings, Boardman sees potential and opportunity. If you look at what's happening, it's getting better all the time. I wish it were quicker, but the trend is good and that's the main thing, he said. We have an Olde Town neighborhood that's becoming very active. There's more and more owner-occupied housing down there, and that's good.

That smile of Clay Boardman is the smile of an optimist. He believes people will grow tired of 30- and 40-minute commutes. He believes that Augusta has a strong economic foundation with the Medical College of Georgia, Fort Gordon and the Savannah River Site.

He lives here. He likes living here. And he invests his money where he lives.

We've always liked to invest in our hometown. This is where I live and this is where my children live and where I intend to die, he said.

But he has a few more things he'd like to redevelop first.