

FORCE of NATURE

Renowned for its strong commitment to social and environmental responsibility, South Street Partners (southstreetpartners.com) has redefined real estate development, cultivating spectacular private residential clubs and resort communities celebrated for their vast, protected natural habitats—including Kiawah Island, Palmetto Bluff, The Cliffs, Naples Grande, Barnsley Resort and Residences at Salamander. Here, we check in with partner Chris Randolph for an inside look at their unique approach to designing within nature and creating community. *BY PHEBE WAHL*

South Street Partners has been such a leader in its mission to design in nature. How have you set the tone in the industry for that? Kiawah was kind of the first green development before there was that buzzy term 'green.' It dates back to the way that the development agreement was written in 1979; they were that forward-thinking. And when you think about green and design in nature, it's both a function of wanting to be environmentally sensitive—in a very environmentally sensitive place for you to think about rising tides and hurricanes and things of that nature—but there's also a business case to be made for designing with nature, because the more land you conserve and preserve, the more value you're creating for everyone out there

instead of just maxing out density. So we absolutely believed in it. When we got to Kiawah, our first thought was to honor what had been done before us but then, ultimately, improve upon it. And I think we did, in the sense that, if you look at Ocean Park, which was our first big neighborhood development out there, we made the decision to build an 80-acre park down the middle of it essentially, instead of adding another amenity or building more homes out there. For me, the overly simplified thesis was that values are created by living closer to parks. It's a major focus of ours at Kiawah, and then we carried it forward at Palmetto Bluff and The Cliffs.

Clockwise from top: Palmetto Bluff; the Palmetto Bluff trails allow for endless exploration; The Cliffs, a portfolio of private clubs and communities, offer luxury mountain living in the beautiful Blue Ridge Mountains.

56

MODERN LUXURY

Are there any other trends you're seeing in real estate? And how do you factor that into planning? The biggest trend we've seen over the last decade, especially in the high-end, second-home resort community development space, is the consumer's desire to have homes built and delivered for them—versus going through the design and development process themselves. That doesn't mean there isn't a large contingent of our buyers who want to buy a lot, find an architect, find a builder, find a landscape architect, and experience the whole process. ... But we found that many buyers don't have the time—especially if you imagine participating remotely, if this is a second home, and you're in New York or Charlotte or wherever you might be and having to manage from afar. So, we have leaned in on that. And I think we're now the largest homebuilder on Kiawah. We will soon be the largest homebuilder at Palmetto Bluff... meaning we're not just selling lots; we're designing homes and building them.



SSP is celebrating 10 years at Kiawah. Congrats. How have you stayed true to that original master plan? The best part about the acquisition and Kiawah is the team we inherited—mostly 95% of whom stayed with us through the transition there. It's given us an invaluable perspective from folks who have been working there for 20, 30, 40 years on the design, planning and development. We brought some new ideas, and being able to bounce the two off one another in beta and come out with great outcomes has been a real godsend for us. But we've adhered to the original master plan. And if anything, we've downzoned. Again, the thought was that we're creating

ALL PHOTOS COURTESY OF SOUTH STREET PARTNERS

more value by doing lower density and including an amenity.

You've made major investments this year and a big push on the West Coast. So what are some of those projects in the works? The West Coast is still a nascent area for us. It's in Napa Valley, but we are looking in Colorado, Montana, Utah and Wyoming because a lot of the same dynamics we love about the Southeast in these resort communities can be found out there. And also, if you think about it from a seasonal perspective, winter and summer out in the Rockies and then fall and spring on the Southeast coast is a pretty good combo for our buyers and members, but also for us, from an overhead and organizational perspective. We can actually rotate our staff and management throughout the portfolio on a seasonal basis. The deal that we did in Napa was an investment in an existing restaurant, which obviously is not our typical deal profile. But what was unique about the restaurant, Farmstead, is that they have entitlements for a hotel next door, so the plan would be, over time, to finalize those plans and ultimately build a 65- or 67-room hotel out there. Napa is always going to be Napa, and the hotel market out there is probably one of the country's tightest in terms of supply and demand. Hopefully... over the next couple of years, you'll start seeing ground being broken.

And what can you tell us so far about Barnsley? Barnsley is super exciting. It fits a lot of the same criteria as our other properties. It's just north of Atlanta, in the foothills of the Blue Ridge Mountains. It's probably 45 minutes from Buckhead, so it's close to the city. And it's only about an hour from Chattanooga, an hour to two hours from Birmingham and three hours from Nashville. It's a beautiful piece of land and has been a resort now for some time. It has 140 rooms, most spread throughout some cottages on the property, making for a cool campus feeling. It sits on 5,000 acres.

The opportunity we see there is to breathe some fresh life into it, bring some of our design characteristics to it, as well as our management. We're starting with the renovation of the existing cottages. We hired Charlotte Lucas, out of Charlotte, who's a great residential interior designer, to come on board. This will be her first true hospitality project. We want those cottages to have a unique look and feel, not a replica of every other hotel room. We should probably have the first cottages ready sometime within the next year, which is exciting. And then the long-term plan would be to add on to the existing inn—improve the spa, the pool experience, there's the golf course and a club—so a lot of the same components we have at other properties. And, ultimately, we will likely do some brand-new residences similar to what we're doing at Salamander, and maybe even do a larger community type of development over time.



For your amenities and programming, you keep families top of mind. Is that core to your brand too? For sure. It's something we initially focused on at Kiawah and remains central to our operating philosophy. Food and beverage are obviously another major priority of ours, which also ties into that. We just signed a new agreement with Mike Lata who's going to oversee all the food

and beverage operations as the new culinary advisor for the Kiawah Island Club. He will do some advising and consulting, which will include recruitment, retention, strategy, menu creation, and be a resource to our team that's there today. And I can tell you that from a recruitment

From top: Oceanfront living at Kiawah; Salamander Middleburg.



and retention perspective, having someone like him involved is vitally important because a lot of people want to work with a two-time James Beard Award winner. We're really trying to change the... reputation club food has had over time.

The firm has contributed \$2.9 million in charitable giving. Why is philanthropy important to SSP, and what are some of the ways you focus

on giving back? When we got to Kiawah, we were most focused on where our employees were coming from, which were some of the more rural, poor communities around Kiawah that we drive through every day. We launched an employee initiative, Kiawah in the Community, designed to engage Kiawah Island Club and Kiawah Island Real Estate employees in volunteer opportunities in an

effort to serve the greater Sea Islands community. Through this program, our staff and management help with a number of organizations vital to our neighbors. It's important to us that we're supporting those types of charities versus maybe some of the more traditional downtown Charleston ones. It's been great to see the results within those communities... and we'll continue to support them. o

57

MODERN LUXURY