EXHIBIT 10.4

The following standards related to subdivision and roads that are currently provisions of ~~the~~ Charleston County~~'s~~ subdivision and road ordinances shall apply to the Real Property situated at Cassique and Freshfields. To the extent there is a conflict between the Town's ordinances and these standards, these standards shall control. All references to County or Charleston County in these standards shall be understood to refer to the Town. Other defined terms shall have the same meaning as in the current Zoning and Land Development Regulations ("ZLDR") of Charleston County.

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§8.4.3 PLANNING DIRECTOR---- REVIEW AND REPORT

A. Upon receipt of a complete application for Preliminary Plat approval, the Planning Director shall have 30 calendar days to (1) review the proposed Preliminary Plat; (2) compile a staff report on the proposed plat (which includes the comments and recommendations of the Public Works Director and other affected agencies);

B. Major Subdivisions (Preliminary and Final) are reviewed by the Planning Director and approved when in compliance with requirements of this Chapter. Within the 30 calendar day review period the Planning Director has the option of forwarding the Major Preliminary Subdivision Plat application, along with his report and any recommendations, to the Planning Commission for its review and approval in order to determine whether or not the proposed Subdivision is in compliance with all of the requirements of this Chapter.

C. The Planning Director shall advise the Planning Commission at the regular scheduled Planning Commission meeting of all Preliminary Plats approved (for information purposes only).

§8.4.4 PLANNING COMMISSION—REVIEW AND DECISION

Within 30 calendar days of receipt of a report from the Planning Director, the Planning Commission shall review the proposed Preliminary Plat and act to approve, approve with conditions, or deny the Preliminary Plat based on whether it complies with all applicable requirements of this Ordinance and the adopted ~~Charleston County~~Town of Kiawah Island Comprehensive Plan.

§A.1.11 ROAD CLASSIFICATIONS

A. PRIVATE ROADS

Any road dedicated to an individual or entity other than ~~Charleston County~~Town of Kiawah Island with an Ingress/Egress Easement (Maximum of 10 Lots) or a right-of-way dedicated to a Homeowners' Association. The easement holder retains ownership and maintenance responsibility for access and drainage.

ARTICLE A.2 PRIVATE ROAD STANDARDS

§A.2.1 GENERAL INFORMATION

A. INTRODUCTION

The private road standards provide the landowner/developer flexibility to determine the level of access and service provided to lots being created. The private road standards require the landowner/developer to be responsible for the extent and quality of property access and drainage. The landowner/developer is responsible for the establishment of standards for design, construction, and maintenance of the roadway and drainage systems and for items such as access for emergency service vehicles, school buses, mail couriers, and coordination of utilities. Note that public services are not guaranteed by ~~Charleston County~~Town of Kiawah Island. The private right-of-way shall be dedicated to a legally recognized or chartered entity. Private right-of-way shall not be dedicated to the public. Further, ~~Charleston County~~ Town of Kiawah Island is neither obligated nor responsible for private right-of-way maintenance.

B. LANDOWNER/DEVELOPER RESPONSIBILITIES

The landowner/developer is responsible for determining the type of access to be provided for his subdivided property. The landowner/developer shall be responsible for oversight and coordination of design and construction and for obtaining required approvals or permits from the appropriate agencies.

The landowner/developer is responsible for informing prospective property owners, whether solicited or unsolicited, of all conditions and responsibilities, or lack thereof, that have been placed on the property.

If access or drainage connects with a ~~County~~ Town of Kiawah Island right-of-way or easement, an encroachment permit shall be obtained prior to construction.

§A.2.2 INGRESS/EGRESS EASEMENT (Maximum of 10 Lots)

ADDITIONAL LANDOWNER/DEVELOPER RESPONSIBILITIES:

The landowner/developer shall determine the location of easement(s) and the type of access to be provided. The location of the easement(s) shall be clearly depicted and labeled on submitted plats or plans.

§A.2.3 PRIVATE RIGHT-OF-WAY DEDICATED TO A HOA WITH NO ROAD CONSTRUCTION REQUIRED (Maximum of 10 Lots)

ADDITIONAL LANDOWNER/DEVELOPER RESPONSIBILITIES:

The landowner/developer shall determine the location and size of proposed rights-of-way to be provided. All rights-of-way shall be clearly depicted on submitted plats or plans. The

landowner/developer is responsible for determining the construction suitability and the accessibility of the defined right-of-way.

§A.2.4 PRIVATE RIGHT-OF-WAY CONSTRUCTED AND DEDICATED TO A HOA ADDITIONAL LANDOWNER/DEVELOPER RESPONSIBILITIES:

The landowner/developer shall determine the location and size of rights-of-way to be provided and the standards for the design and construction of the roadway and drainage systems. The landowner/developer shall secure the necessary licensed, professional personnel to prepare designs, obtain required approvals and permits, and oversee construction.

§8.4.11 CONDITIONAL PLAT APPROVAL

A. Prior to approval of a Final Plat, the developer shall install all required public improvements or post an approved financial guarantee of performance, in accordance with the requirements of this Ordinance. If financial guarantees are posted, the Planning Director shall be authorized to grant conditional plat approval on plats that involve two (2) or more guaranteed public improvements, with final approval contingent upon completion and acceptance of all required improvements. No Certificates of Occupancy shall be issued until all required improvements have been installed and accepted, and the Final Plat has been recorded by the Charleston County Register of Mesne Conveyance. Conditional Plat approval shall be valid for a period not to exceed two years from the date Conditional Plat Approval is granted.

B. Where plats are submitted under an approved financial guarantee for Conditional approval the following three (3) notes shall be placed on the plat:

1. Approval of this plat does not authorize occupancy;
2. Duration of approval shall be limited to two (2) years; and
3. The approval of this plat in no way obligates the ~~County of Charleston~~ Town of Kiawah Island to accept for continued maintenance any of the roads or easements shown hereon.

C. The duration of the financial guarantee for a conditional plat shall be no longer than twenty-four (24) months unless extended by the Planning Commission. No later than two (2) months before the expiration, the applicant shall notify the County that the applicant has completed the final plat or is securing a replacement bond to be issued within 30 days of expiration of the original bond. If no action is taken by the applicant, the County shall execute the provisions of the performance bond.

ARTICLE 8.14 FINANCIAL GUARANTEES (SURETY)

§8.14.1 PERFORMANCE GUARANTEES

A. In lieu of completing the required subdivision improvements of this Chapter, a financial guarantee in the form of a no-contest, irrevocable bank letter of credit, or performance and payment bond underwritten by an acceptable South Carolina licensed corporate surety, subject to

~~County~~ Town attorney approval of the guarantee to determine that the interests of ~~Charleston County~~ Town of Kiawah Island are fully protected.

B. The applicant shall submit to the appropriate governmental agency a detailed itemized unit cost estimate for the proposed public improvements to be included in the financial guarantee. Performance Guarantees are for Public Improvements only: Public Roads, Public Water and Public Sewer. (Example: public roads constructed to County Road Standards dedicated to the public and accepted into the road system by ~~Charleston County Council~~ Town of Kiawah Island, or a public water
system approved and accepted by another public entity). ~~Charleston County~~ Town of Kiawah Island will only accept a Financial Guarantee (Surety) for two (2) or more of the above public improvements. The amount of the financial guarantee shall be verified by the appropriate governmental agency that exercises operational control (Commissioners of Public Works for public water, Commissioners of the
appropriate Public Service Districts for street name signs and public sewer, and the Public Works Director for all other public improvements covered in this Chapter). The amount shall be sufficient to guarantee completion of the required improvement (125 percent of the actual cost of the improvements with a minimum of $10,000) within a time period specified by the government agencies, not to exceed two years. The governmental agencies determining the amount of financial guarantee shall provide a letter to the Planning Director (copy to the applicant) setting forth the amount of bond, conditions of acceptance and the period covered. The Planning Director will inform all interested governmental agencies, particularly the County Building Inspection Director.

C. Upon completion of the improvements as required by this Chapter, written notice thereof shall be given by the applicant to the bond holder, who shall cause an inspection of the improvements to be made. The bond holder will, within 30 days of the date of notice, authorize in writing the release of the security given, provided improvements have been completed in accordance with the required specifications. Should the improvements not be completed in accordance with the required specifications by the date originally stipulated in writing by the bond holder, the funds derived from said bond will be used by the bond holder to complete the improvements according to required specifications, at the earliest reasonable time. Where it appears that the bond was insufficient to finance the required improvements after the applicant has defaulted, ~~County Council~~ Town of Kiawah Island will assess the individual applicant the cost of the improvements over and above the surety amount.

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