



# Annexation

## *Becoming Part of the Town of Kiawah Island*

Public Information Meeting



# Annexation Background

- o In January the current Town Council expressed interest in annexing properties outside the KICA gate and bordering on the Kiawah Island Parkway.
  - To gain control of development; and
  - To secure borders; and
  - To receive income now accruing to Charleston County.



# Annexation Background

- o Discussions with Darby were planned but put on hold given a pending law suit which led to the sale of Kiawah and other KP properties.
- o When engaged new KP owners expressed interest and a desire to expedite annexation.
- o The Town and KP reacted accordingly to annex Freshfields and Cassique



# Annexation Process

- o Four public information meetings are scheduled to discuss and receive public input.
- o All meetings will be held in the Municipal Center's Council Chambers
- o Meetings will be held as outlined below:
  - August 8<sup>th</sup> at 2 pm
  - August 13<sup>th</sup> at 7 pm
  - August 20<sup>th</sup> at 2 pm
  - September 18<sup>th</sup> at 7 pm



# The Annexation Process

- o SC Code of Laws Title 5, Chapter 3, Act 250
- o Enables /regulates the Annexation process
- o Methods of Annexation of privately owned property includes
  - 100% and 75% freeholder petition and ordinance method
  - 25% elector petition and election method



# Freshfields Annexation

## o Freshfields Village and 20 undeveloped acres 100% owned by KP.

- Annexation by 100% petition and ordinance method
- KP petitions Town to annex
- Town creates an annexation ordinance
- After two readings of the ordinance, the property is annexed
- No public hearing is required per statute

*Note: Freshfields Village infrastructure is maintained by a private corporate entity*



# Cassique Annexation

- o Cassique is a mix of property ownership
- o KP 100% owned: Golf Course, unsold platted lots, undeveloped acreage, streets. Can be annexed using the 100% petition and ordinance method.
- o Privately owned homes and lots at Cassique
  - Join with KP 100% owned
  - POA Request using 75% method

*Note: Cassique infrastructure is maintained by POA*

# Master plan View



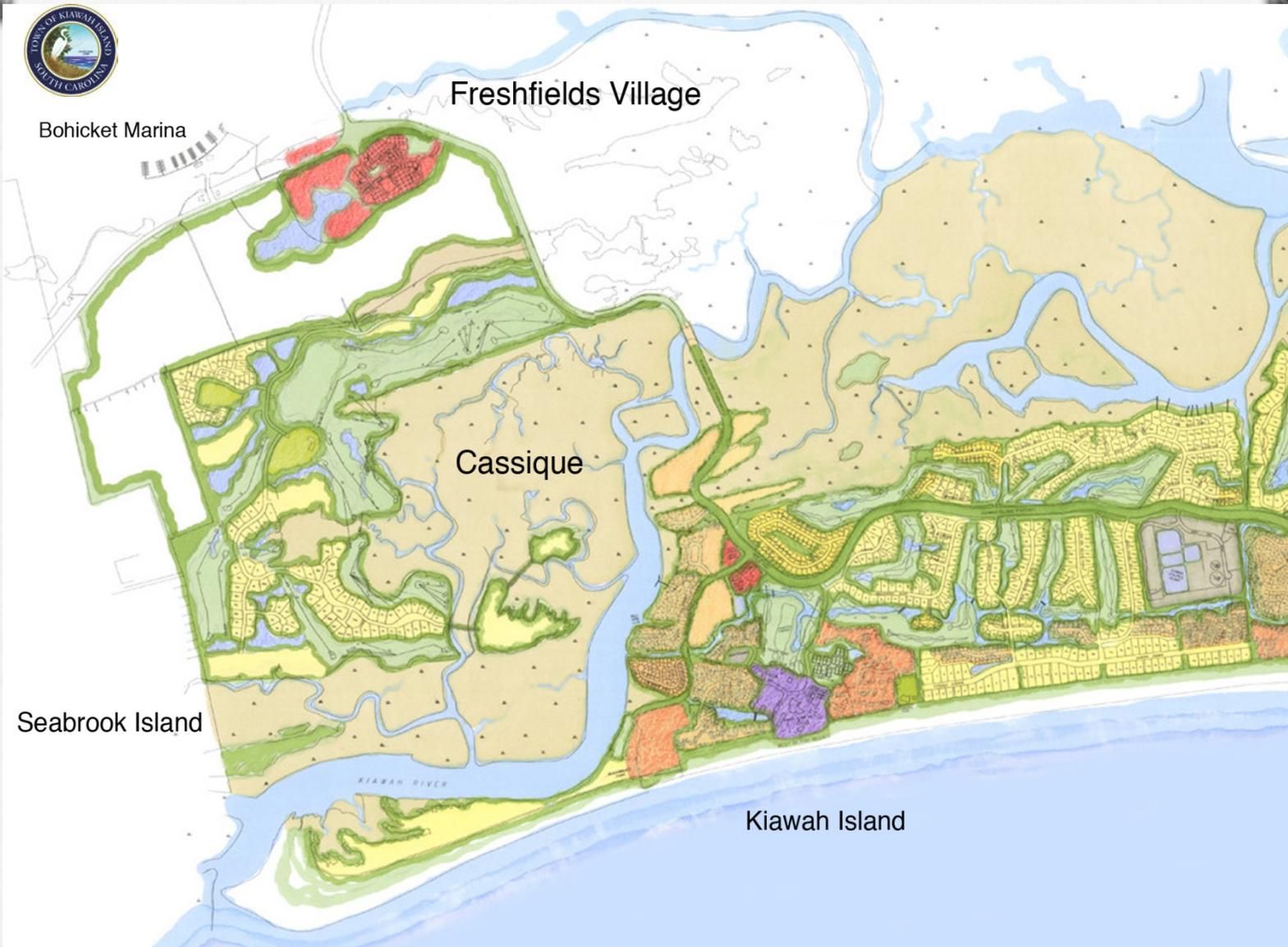
Bohicket Marina

Freshfields Village

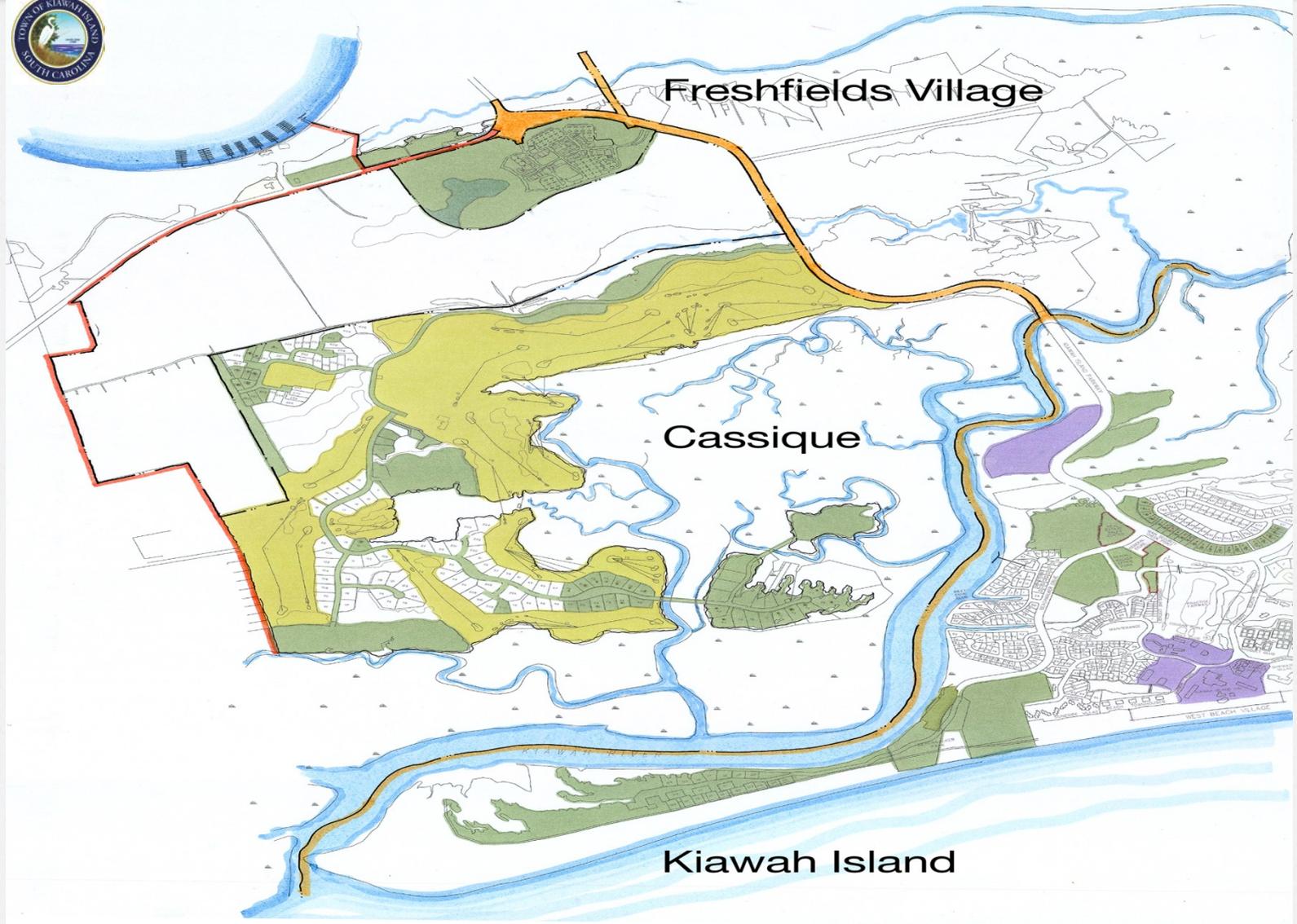
Cassique

Seabrook Island

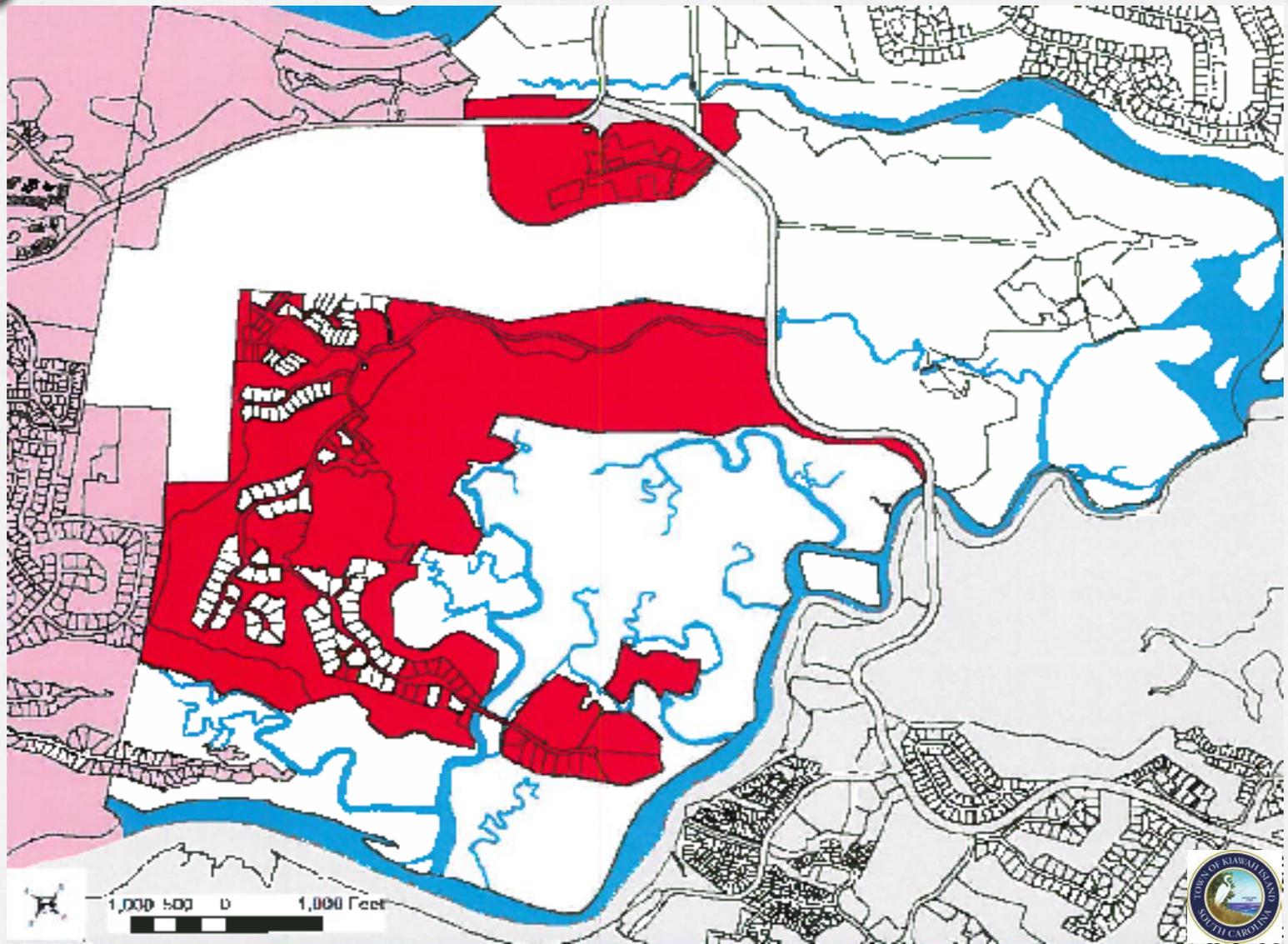
Kiawah Island



# Town Limits



# Annexation Properties





# Advantages of Annexation

- o Buffer and secure the Town's borders
- o Control zoning and development
- o With two gated communities and shopping center, reduce vulnerability to legal challenges to a gated community
- o Capture \$1.0 - \$1.5 million in annual income
- o Added income will be reinvested in the Town of Kiawah to benefit all property owners.
- o Revenues over expenditures estimated at \$830,000



# Disadvantages of Annexation

- o Annual expenses of \$300,000 to \$520,000:
  - public safety
  - code enforcement
  - solid waste collection



# Revenue Estimate

Revenue Source	Amount
Business License	\$120,000
Local Option Sales Tax	\$480,000
Franchise Fees	\$100,000
Building/other Permits	\$180,000
Accommodations Taxes (State, local, and County)	\$300,000
Hospitality Tax	\$150,000
Beverage Permit Fees	<u>\$ 20,000</u>
Total	\$1,350,000



# Cost Estimate

o Annual expenses are estimated as shown:

Expense	Amount
Public safety/code enforcement	\$300,000
Solid waste collection	\$ 20,000
Contingency	<u>\$200,000</u>
Total	\$520,000



# What's Next

- o The critical timing issue is incorporating Freshfields and Cassique zoning and planning into the Town's ordinances.
- o Lauren Patch will spearhead this effort and direct annexation activities.
- o At the August 7<sup>th</sup> Planning Commission Meeting an annexation subcommittee was appointed to work on zoning and planning issues.
- o The members are Larry Iwan, Dan Prickett and Fred Peterson.
- o We are targeting to have annexation completed in November.

# Key Annexation Dates

- o September 23<sup>rd</sup> Petition to Annex Freshfields & Cassique
- o September 25<sup>th</sup> Planning Commission Public Hearing  
1:00 pm Freshfields Zoning and Planned Development
- o September 30<sup>th</sup> Town Council Public Hearings  
1:00 pm Freshfields & Cassique Zoning and Planned Development  
2:00 pm Comprehensive Plan  
3:00 pm KRA (KP) Development Agreement
- October 1<sup>st</sup> Town Council First Reading Annexation Ordinances
- October 22<sup>nd</sup> Town Council Second Public Hearing  
1:00 pm KRA (KP) Development Agreement
- November 5<sup>th</sup> Town Council Second Reading Annexation Ordinances

# Commonly Asked Annexation Questions

- **Why is annexation happening now?** *The new KP owners and the town believe it is in their mutual best interest. Timing was dictated by the late spring sale of properties.*
- **What changes or impact will annexation have on KICA?** *None*
- **Will the Freshfields hotel guests have gate access to Kiawah?** *Not unless they secure a gate pass like any other non property owner.*
- **Will the Town be responsible for managing Freshfields village?** *No. It is privately owned and managed.*

# Commonly Asked Annexation Questions

- **Why does the Town want revenue from annexing Freshfields & Cassique?** *Long-term financial stability is a priority for the Town. We are seeking additional revenue sources as we project declining revenues like business licenses as build out on the island occurs.*
- **Does annexation give Cassique owners access to Kiawah inside the gates?** *No. They have access via the Cassique Access Agreement with KICA.*
- **Will KICA have any jurisdiction over Freshfields or Cassique?** *No, KICA will not have any jurisdiction.*



# Annexation

## *Becoming Part of the Town of Kiawah Island*

Questions and Answers