

Frequently Asked Questions and Answers

1. Local Option Sales Tax (1%) is listed as a new revenue source for the Town upon annexation. Is this a new tax levied on tourists and residents?

No. The Local Option Sales Tax was approved for all municipalities through referendum by the S C Department of Revenue. It was voted on by Charleston County Voters. S C Department of Revenue collects all the sales taxes, but returns the 1% Local Option Sales Tax to the municipalities. Should an area not be incorporated, the tax money is kept by the county. This is not a new tax for Cassique & Freshfields. The Town of Kiawah will receive the money instead of being kept by Charleston County.

2. Why is the discussion on annexation happening now?

Town Council has been discussing the subject of annexation since January. However, no action could be put into place due to the pending sale of Kiawah Partners (KP) properties. It is up to the owner of the property to petition the Town to be annexed. Had the closing of the sale occurred earlier in the spring or later in the fall, these discussions would have reflected that timing. Also, Kiawah Partners (KP) want their properties to be located in the Town of Kiawah Island which enhances its value.

3. What changes and impact will this have on KICA?

The annexation does not impact KICA. KICA will remain the community association for Kiawah with its own security force, infrastructure maintenance, landscaping design, and maintenance, etc.

4. Will the new hotel and other future residential interests have access to Kiawah?

The simple answer is no. However, people anywhere may pass through the gates by personal invitation by a KICA property owner or a reservation at the hotel, a villa, golf course, or restaurant.

5. What will the Town's responsibilities be in managing Freshfields?

Freshfields will continue to be managed in the same manner as it presently is, i.e. management company. It will continue to have its own security. The Town would provide deputy coverage to Cassique and Freshfields and trash collection to Cassique, as we do for KICA homeowners. The Town would also issue building permits and conduct building site and construction inspections.

6. The Town is financially healthy now. Why are they interested in the revenue to be received by annexing?

Town revenues are received from business licenses, franchise fees, local option sales tax, and accommodations taxes. As Kiawah builds out over the next few years, some of these revenues will decrease as we build out and construction wanes. Council has been looking at new avenues of revenue to protect the financial health of the Town in the long run. Currently we have no town property tax as they do in the City of Charleston and we plan to keep it that way.

7. What are the ramifications, including access and interaction to and with KICA?

The Town's actions have no impact on KICA. KICA and its members decide the relationship with Cassique. The "Cassique Access Agreement" is on line on the KICA website.

8. Does annexation automatically give mutual access to the two gated communities or by residents/visitors of Freshfields?

No. The two gated communities will remain independent. All visitor passes will remain as they have always been. The Town has no control over issuing passes nor over the independent community associations.

9. Will KICA have jurisdiction over Freshfields and Cassique?

No. Freshfields is public and Cassique has its own community association. All will be within the borders of the Town of Kiawah, a municipality of the state of South Carolina. All are bound by town ordinances, zoning, permitting, etc.