

## Conveyance Policy – Draft

This policy shall set forth the manner in which KICA accepts or rejects common property conveyance requests from any developer or entity on Kiawah Island. This conveyance policy does not apply to the property commonly referred to as Captain Sam's Spit, as the developer will provide written confirmation that it will not attempt to transfer common property in that neighborhood to KICA.

### **INFRASTRUCTURE:**

When a developer or other entity wishes to convey roads, bridges, drainage, docks, leisure trails, and other non-landscaping related infrastructure intended to be owned as common property shall provide written notification to KICA, along with documents necessary for KICA to conduct a thorough inspection. Documents (transmitted in hard copy as well as CAD format, where applicable) include but are not limited to the following:

- Evidence of ownership of the property and/or infrastructure to be conveyed
- As built surveys
- Videos of drainage infrastructure
- Construction documents/plans and specifications
- Operating manuals, warranty information, etc.
- Letter from Town, or other regulatory authority indicating that the infrastructure has built built in accordance with regulatory requirements
- Draft copy of any language pertaining to proposed reservations of rights, deed restrictions, or other conditions restricting or impacting KICA's future use of the property

Within 30 days, KICA shall inspect the infrastructure and related documents and proceed with one of the following three actions:

- If KICA staff determines that the infrastructure is in satisfactory condition, and that any proposed use restrictions or reservations of rights will not impede KICA's ability to use the property for the benefit of its members, it shall prepare a recommendation for acceptance at the next regularly scheduled meeting of the KICA Board of Directors.
- If KICA staff determines additional information is needed to evaluate the request, it will notify the developer, and upon receipt of additional information, shall have an additional 30 days to complete its inspection.
- If construction deficiencies are discovered, KICA staff shall outline to the developer the nature of the deficiencies and the required corrective action. Once repairs have been completed, the developer may seek a reinspection.

If for any reason staff renders an opinion that KICA should not accept the infrastructure, it will notify the applicant and the KICA board in writing. The board has the sole authority to accept or reject the staff recommendation.

Once the board votes to accept infrastructure, staff shall work with the developer to execute all necessary documents as soon as possible and incorporate the new infrastructure into KICA's long term Major Repair and Replacement Plan.

## **LANDSCAPING:**

When a developer or other entity wishes to turn over landscaping intended to be owned as part of KICA's common property, it shall provide written notification to KICA, along with documents necessary for KICA to conduct a thorough inspection. Documents include but are not limited to the following:

- Surveys, plans and specifications/construction documents where appropriate
- Operating manuals, warranty information, etc.
- Existing maintenance schedule, cost information, etc.
- Irrigation as built
- Draft copy of any language pertaining to proposed reservations of rights, deed restrictions, or other conditions restricting or impacting KICA's future use of the property

Within 30 days, KICA staff shall conduct an inspection. If it is determined by staff that the landscaping is consistent with KICA's typical neighborhood standard (as determined by KICA), and that any proposed use restrictions or reservations of rights will not impede KICA's ability to use the property for the benefit of its members, it shall prepare a recommendation for the board to accept the conveyance at its next regularly scheduled meeting, with the following condition:

- (a) KICA shall accept financial responsibility only after it has had time to incorporate the new expenses in its annual budget. If the conveyance request is received in advance of KICA's annual budget process (typically begins in early Fall), ownership and financial responsibility will commence on January 1<sup>st</sup> of the next calendar year. If the conveyance request is received after commencement of the budget process, acceptance may be delayed for an additional budget year.

If it is determined that the landscaping is beyond the normal standard (including but not limited to irrigation, elaborate plantings, special fencing or features, etc.), the developer and KICA shall agree prior to conveyance on a mechanism for funding the added costs of this special landscaping by working with KICA to implement a segment assessment, or by forming a regime to absorb these additional costs and/or modifying the landscaping to conform with the typical neighborhood standard as determined by KICA. If necessary, the developer and/or KICA shall prepare or amend any legal documents necessary to enact the required funding. Furthermore, the developer shall ensure that irrigation infrastructure shall include rain sensors and other technology to manage water usage efficiently and, in a cost, effective manner.

Once funding of the special landscaping is determined, KICA the process shall be followed as outlined above.

If a developer disagrees with the KICA staff recommendation, it shall have the right to make a presentation directly to the KICA Board of Directors at its next regularly scheduled meeting.

### **Facts and Rationale that form the basis for the Policy**

- Prior to December 31<sup>st</sup> of 2015, KICA could not reject conveyance requests from the island's master developer.
- The expiration of the developer's right to unilaterally convey property does not change KICA's responsibility to the community. It simply provides KICA a say in how it evaluates the condition of infrastructure and the manner in which its maintenance is funded, prior to conveyance.
  - Owning and maintaining infrastructure is a primary responsibility of KICA
  - Providing a standard level of maintenance is a primary responsibility of KICA
    - In neighborhoods where landscape costs exceed the typical KICA standard, an additional fee is paid by those living in that neighborhood. Currently, there are 31 neighborhoods on Kiawah that pay the basic KICA fee, and pay an additional fee either to KICA via a board approved segment assessment, or more commonly to a sub-regime.
    - All KICA members share in the cost of standard landscaping, but should not subsidize a higher standard in other neighborhoods
    - KICA's typical neighborhood standard generally includes routine pickup of large debris, line of sight pruning, pruning for vehicular clearance, blowing of roads, routine maintenance of neighborhood entrance landscape beds and cul de sac plantings (if in existence), and basic mowing/edging of the rights of way in front of unimproved lots.
    - In 2013, KICA's Board determined that the Kiawah Island Parkway, Governor's Drive, Ocean Course Drive, and portions of Flyway Drive shall be deemed high priority landscape areas benefitting all property owners, and the cost of enhanced landscaping on these roadways shall be shared by all members.
- "Satisfactory Condition" is determined by KICA, but is intended to mean that the infrastructure or landscaping to be conveyed is at a standard consistent with the overall quality on Kiawah Island, and that it is free of any known defects or deficiencies, and that the time frame for repairs or replacement is consistent with what KICA would expect on similar infrastructure managed and tracked in its MR&R Reserve Schedule.
- Captain Sam's spit is excluded from the rationale for this policy. The developer has already agreed that it will form a sub regime for any future development there, and will not seek to convey infrastructure to KICA.