Board of Directors Meeting March 4, 2019 Agenda item #5.A

KICA Conveyance Policy

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 intends to 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 landscaping 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 include but are not limited to the following:

- Surveys, plans and specifications/construction documents
- Operating manuals, warranty information, etc.
- Existing maintenance schedule, cost information, etc.
- Irrigation as builts
- 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 thirty 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 conditions:

- (a) KICA shall accept ownership and financial responsibility only after it has had time to incorporate the new expenses in its annual budget.
- (b) 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 1st of the next calendar year. If the conveyance request is received after commencement of the budget process, acceptance may be delayed for another 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. Developer 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.