

DANIEL ISLAND GOVERNANCE INFORMATION

THE MASTER PLAN

The Daniel Island Master Plan was submitted by The Harry Frank Guggenheim Foundation in November, 1992 to the City of Charleston. The Daniel Island Master Plan was adopted by the City of Charleston on March 23, 1993 by Ordinance 1993-32. In connection with the Daniel Island Master Plan and the Memorandum of Understanding between the City of Charleston and The Harry Frank Guggenheim Foundation dated February 22, 1991, the City of Charleston, The Harry Frank Guggenheim Foundation and the Daniel Island Development Company, Inc. entered into a Development Agreement dated as of June 1, 1995 which was recorded in the Berkeley County R.M.C. Office on June 23, 1995 in Book 681, Page 300.

Minor changes to the Master Plan can be made by the Daniel Island Company. The City of Charleston does not have amendment rights. The following are deemed to be major amendments to the plan and would require the approval of City Council in the manner provided by law:

- Any change of zoning category of a Parcel;
- Any increase in the total maximum allowable number of dwelling units for Daniel Island as a whole as provided in Section 3.1;
- The elimination of an open space as shown in the Master Plan;
- Any failure to provide for a linked open space system; or,
- Decrease in the number of traffic lanes capacity in an element of the mapped major circulation system, or a change in that system's intersection pattern that would render invalid the traffic impact study.

All other changes to the Master Plan would be considered minor amendments. The Zoning Administrator, upon receipt of an application from the Daniel Island Company, may approve minor amendments to the Master Plan.

While residents can have input through the Daniel Island Neighborhood Association and public meetings such as those held by the Board of Zoning Appeals-Zoning (BZA-Z)), Board of Zoning Appeals – Site Design (BZA-SD), Design Review Board (DRB), and Planning Commission (PC), so long as property owners adhere to the Master Plan, **all development decisions on Daniel Island rest with property owners such as the Daniel Island Company.**

DANIEL ISLAND NEIGHBORHOOD ASSOCIATION (DINA)

The City of Charleston Neighborhood Council is a unique organization currently composed of 112 democratically organized neighborhood associations. Groups of presidents from these associations meet with the Mayor and his staff throughout the year in regularly scheduled sessions to share information, report concerns and make suggestions that will improve the quality of life for residents and the city as a whole.

The Daniel Island Neighborhood Association (DINA) is a member of the Neighborhood Council and exists to be a civic voice for Daniel Island and all its residents. DINA's purpose is to communicate information from Berkeley County and the City of Charleston; to keep all informed of significant developments affecting Daniel Island; to represent all Daniel Island residents on issues that impact the general community; to communicate the interests of Daniel Island residents to Berkeley County and the City of Charleston; and to foster a sense of community and cooperation among the residents of Daniel Island.

While the Daniel Island Neighborhood Association can provide input concerning development decisions on Daniel Island to the City of Charleston and to the Daniel Island Company, **the Daniel Island Neighborhood Association DOES NOT have a vote on development decisions on Daniel Island.**

TRANSITION OF CONTROL

Daniel Island Community Association (DICA), Daniel Island Park Association (DIPA) and Daniel Island Town Association (DITA) are the governing bodies of the Daniel Island community. Each Association has a board of directors that has responsibility for governing its affairs. Today, all or a majority of the members of the board of directors of each Association is a representative of Daniel Island Associates or the Daniel Island Company. The governing documents of each Association provide for residents to elect a majority of the members of its board of directors upon the occurrence of certain events summarized below. ⁽¹⁾

Daniel Island Community Association (DICA) and Daniel Island Park Association (DIPA)

- In terms of DICA, the right of residents to elect a majority of the members of its board of directors occurs when 75% of the 7,500 Units⁽²⁾ permitted by the Master Plan have a certificate of occupancy and are non-builder owned or December 31, 2025, whichever comes first. Currently, the 75% number is expected to be reached sometime in 2019 or 2020.
- In terms of DIPA, the right of residents to elect a majority of the members of its board of directors occurs when 90% of the 7,500 Units permitted by the Master Plan have a certificate of occupancy and are non-builder owned or December 31, 2025, whichever comes first. Currently, it is expected that the 90% number will not be reached, so majority resident representation on the DIPA board of directors is not expected to occur until December 31, 2025.
- However, in the case of both DICA and DIPA, Daniel Island Associates will have a right to disapprove any action, policy or program of the Association, the Board, and any committee which, in the sole judgment of Daniel Island Associates, would tend to impair the rights of Daniel Island Associates or builders, interfere with development or construction of any portion of the Daniel Island properties or diminish the level of services being provided by

the Association for two years beyond the date that the right to majority board representation occurs – i.e., sometime in 2021 or 2022 for DICA and December 31, 2027 for DIPA.

Daniel Island Town Association (DITA)

- The Daniel Island Company has the right to appoint all members of DITA’s board of directors until December 31, 2025, and DITA has full and complete authority for a portion of the Daniel Island community, including the associated budget, under the shared control and expense of the three Associations (for example, POA administrative costs and costs associated with the maintenance of Guggenheim Plaza, Children’s Park, bicycle paths and walking trails) until January 1, 2026. Once Daniel Island Associates no longer has disapproval rights with respect to DICA and DIPA as described above, a three-member Joint Committee made up of board members of each of DICA, DIPA and DITA is to be appointed to advise the board of DITA. After January 1, 2026, that Joint Committee will approve DITA’s shared expense budget, but until December 31, 2027 the Daniel Island Company will retain the same right to disapprove any action, policy or program of the Association, the Board, and any committee as Daniel Island Associates has with respect to DICA and DIPA.

While residents will have increased membership on, and will ultimately control, the Association boards, **the Daniel Island Company or Daniel Island Associates will have the final say on significant association decisions until December 31, 2027.**

Architectural Review Board (ARB)

Until 100% of the property subject to the Master Plan has been developed and conveyed to owners other than builders, Daniel Island Associates and The Daniel Island Company and initial construction on each Unit has been completed, Daniel Island Associates and The Daniel Island Company have the right to appoint all members of the Architectural Review Board.

⁽¹⁾ The governing documents of each Association also provide that Daniel Island Associates and The Daniel Island Company, in their discretion, may permit resident election of a majority of the members of an Association’s board at an earlier date. No indication that they intend to exercise that discretion has been given to the Transition Committee.

⁽²⁾ A Unit is a single residence, condominium, townhome or apartment. An assisted living facility counts as a single Unit.