

# Bay Point Island Annexation

## *The Facts & the Folly*



### ANNEXATION 101

#### What is annexation?

Annexation is the legal process used by municipalities to expand their borders and increase populations by bringing additional land under the municipality's governance.

#### How are properties annexed?

In South Carolina, landowners (aka "freeholders") initiate the annexation process via a petition to bring their property or properties into the municipality. The property or properties must be contiguous with the municipality. There are three methods of annexation: 100%, 75% and 25% methods. For more information see S.C. Code § 5-3.

#### What is "contiguity"?

A property is contiguous to a municipality if it is adjacent to and shares a continuous border with property already in the municipality. Under South Carolina law, contiguity still exists if the property to be annexed is separated from the municipality by a road, water or marsh.

#### How can annexation be helpful?:

**Doughnut Holes:** A doughnut hole is a property or cluster of properties under county governance that is surrounded by city properties. It makes sense, practically and economically, for the city – rather than the county – to provide services such as police, water, sewer and garbage pick up to these properties that are within its geographical borders.

**Smart Growth:** Annexation also makes sense when a city or town accommodates future growth by incorporating land and approving development that can be serviced by existing infrastructure. Communities have established "urban growth boundaries" or "urban service boundaries." These boundaries clearly delineate between urban/suburban areas with existing infrastructure where annexations make sense – and rural areas without services where annexations do not make sense.

#### What not to annex:

**Rural & Ecologically Sensitive Areas:** Unwise annexations occur when a municipality annexes property in remote, rural areas outside of urban growth boundaries and/or without existing infrastructure to provide reliable and affordable services to residents or potential residents.

You know the story – in exchange for annexation and upzoning, speculative developers promise municipalities increased tax revenue from the new rural development. Time and again municipalities annex these properties and extend services and infrastructure only to be stuck with escalating water, sewer and transportation costs, a fragmented rural landscape and habitat destruction.

## THE FACTS

**If approved the Bay Point Island annexation would stand as one of the most egregious annexations on the South Carolina Coast.** Bay Point Island is a small, highly erosional, ecologically sensitive, barrier island across the Port Royal Sound from Hilton Head Island. This ever-shifting sandy spit of land is home to thousands of shore and sea birds.

On September 14, 2016, landowner Philippe Cahen of Luxemborg petitioned the Town of Hilton Head to annex Bay Point Island pursuant to the 100% annexation method. The landowner claims Bay Point Island is contiguous to Hilton Head Island “by a line of sight” rule because it is visible from some beaches on Hilton Head Island.

On September 20, 2016, with little public notice, Hilton Head Town Council unanimously agreed to consider the petition for annexation. However, the petition has not been formally approved and the property is not yet annexed.

The landowner proposes an “eco” resort for the island, to be built by Six Senses Resorts and Spas of Bangkok. Of the approximately 390 acres of Bay Point, only 60 acres are considered developable high land. The developer proposes over 50 homes, tennis courts, a yoga and meditation center, multiple docks, and a large boardwalk. The Bangkok developers have enticed Hilton Head Town Council with an “anticipated” \$1.5 million a year in tax revenue and an elusive high-end “branding” scheme.

## THE FOLLY

Denying the annexation is in the public’s best interest. Barrier islands are not safe places to build developments. They buffer our towns and cities from destructive hurricanes. The dunes and marshes that change regularly with coastal erosion ebb and flow while providing habitat for transient wildlife, including turtles, shore birds and seabirds. If Hilton Head annexes Bay Point, the town takes the first step toward enabling the destruction of an ecologically sensitive island and opens the door to similarly unwise annexations in the future.

The annexation and development of Bay Point would also be fiscally reckless. Currently, no services exist on the island: no water, no sewer, no roads, no police or fire protection. The cost to extend – and inevitably repair and rebuild those services – will ultimately fall on the public.

Finally, the Bay Point annexation proposal flies in the face of inter governmental cooperation and planning. Suffering the high cost of past annexations, the city of Beaufort, Port Royal, Beaufort County, and the Beaufort Jasper Water Sewer Authority have invested in a coordinated growth and annexation strategy. Growth and service boundaries have been adopted and the Northern Regional Plan Implementation Committee was formed. Notably, Port Royal was approached by the developers to annex Bay point but wisely refused. Hilton Head should not thumb its nose at good planning. Rather, Hilton Head should join the discussion and work with its neighbors to improve residents’ quality of life within their existing municipal boundaries.

## WHAT CAN YOU DO TO SAVE BAY POINT ISLAND?

*Visit our website at [CoastalConservationLeague.org](http://CoastalConservationLeague.org) to:*

Contact your councilmember and voice your opposition to the Bay Point Island annexation.  
Sign a petition urging Hilton Head Town Council to reject the owner’s petition for annexation.  
Attend and speak at Hilton Head Town Council meetings.

*For more information contact Coastal Conservation League’s South Coast office: 843.522.1800*